United Nations A/C.2/56/SR.11

General Assembly
Fifty-sixth session
Official Records

Distr.: General
19 October 2001

Original: English

Second Committee

Summary record of the 11th meeting

Held at Headquarters, New York, on Friday, 12 October 2001, at 10 a.m.

Chairman: Mr. Mbayu (Vice-Chairman) ..... (Cameroon)
later: Mr. Djuwala (Vice-Chairman) ..... (Indonesia)

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In the absence of Mr. Seixas da Costa (Portugal), Mr. Mbayu (Cameroon), Vice-Chairman, took the Chair.

The meeting was called to order at 10.20 a.m.

Agenda item 95: Macroeconomic policy questions: (*continued*)

(c) Science and technology for development (*continued*)

Draft resolution A/C.2/56/L.3

1. **Mr. Ayari** (Tunisia), introducing the draft resolution entitled "World Summit on the Information Society", said that the success of the new economic order was largely dependent on creating an enabling environment for the development of infrastructure for technology and telecommunications. The two-phase Summit would reduce the technological gap between North and South. The draft resolution highlighted, inter alia, the urgent need to harness knowledge and technology for promoting the goals of the Millennium Declaration, recognized the pivotal role of the United Nations system in promoting development, invited Governments to participate actively in the preparations for the Summit, encouraged effective contributions from and active participation of all relevant United Nations bodies and invited the international community to make voluntary contributions to the special trust fund established by the International Telecommunication Union. He hoped that all delegations would sponsor the draft.

Agenda item 100: International migration and development, including the question of the convening of a United Nations conference on international migration and development to address migration issues (*continued*)

Draft resolution A/C.2/56/L.4

2. **Mr. Tootoonchian** (Islamic Republic of Iran), speaking on behalf of the Group of 77 and China, introduced the draft resolution entitled "International migration and development". International migration was a complex global phenomenon, which had both benefits and costs for all nations and which originated in poverty and underdevelopment. The draft was essentially based on the resolution adopted by the Committee on that subject two years previously, and the only substantial new element was paragraph 6. The draft also focused on the existing linkages among the social, economic, political and cultural factors related to international migration and development and recalled the commitment made at the Millennium Summit to ensure respect for and protection of the human rights of migrants. The Group of 77 and China hoped that the draft resolution would be adopted by consensus.

3. *Mr. Djumala (Indonesia), Vice-Chairman, took the Chair.*

Agenda item 103: Implementation of the first United Nations Decade for the Eradication of Poverty (1997-2006) (A/56/229 and Add.1 and Corr.1)

4. **Mr. Langmore** (Director, Division for Social mPolicy and Development), introducing the report of the Secretary-General on the first United Nations Decade for the Eradication of Poverty (A/56/229 and Add.1, and Corr.1), said that the terrorist attacks on the United States and their consequences had clearly highlighted the importance of addressing not just the symptoms, but also the root causes of terrorism. The discussion of the report was therefore timely, since much more effective multilateral action was essential to tackle the poverty and powerlessness that bred frustration and despair. The report found that achieving poverty reduction and the other development targets set by the Millennium Summit would be difficult. Countries must focus on accelerating economic growth, improving the distribution of income and wealth and promoting social development, taking into account the multidimensional nature of poverty.

5. Increased external assistance was a necessary condition for poverty reduction in many countries. Undoubtedly, new and innovative resources were going to be required if sufficient resources were to be available to countries with high levels of poverty. The International Conference on Financing for Development was thus of crucial importance to achievement of the goal of reducing poverty.

6. The report also provided a brief summary of views on the proposal regarding the establishment of a world solidarity fund for poverty reduction. There had been broad support for the establishment of such a fund, provided it was financed through voluntary contributions and avoided duplication of activities of other United Nations funds and programmes.

7. The award of the Nobel Peace prize to the Secretary-General and the United Nations was both a recognition of the Secretary-General's work in conflict resolution and of his and the Organization's work in creating conditions which contributed to the reduction of conflicts. It was also a challenge to the entire international community to work even more effectively for reduction of the conditions which led to conflict, including the terrible level of poverty and inequity in the world.

8. **Mr. Asadi** (Islamic Republic of Iran), speaking on behalf of the Group of 77 and China, said that poverty remained one of the major challenges facing humanity. It was shocking that a quarter of the world's population lived on less than $1 a day and that 80 per cent of the world's domestic product went to 20 per cent of the world's population. Poverty was a complex phenomenon which brought into play economic and social development issues. External obstacles included declining international resource flows, worsening terms of trade, the crushing external debt burden and shrinking official development assistance (ODA). The factors at the national level that accelerated poverty included weak and inadequate infrastructure and social services, rampant unemployment and wars and conflicts.

9. Those problems had been compounded by the forces of globalization, which had increased the vulnerability of many developing countries. Globalization had also widened the tremendous economic and technological gap between the developing and developed worlds. In that regard, while it would be difficult to achieve the Millennium Assembly's target for poverty reduction, it was imperative for the international community to vigorously pursue it at all levels by devising practical policies and mechanisms that were free from exclusive approaches and criteria. The international community should be very cognizant of the intricate relationship between poverty, peace and security. Indeed, poverty was the most pervasive violation of human rights and of the right to development.

10. Poverty eradication should be placed at the centre of national strategies and international cooperation. Indeed, in a highly interdependent world, national policies on poverty eradication needed to be supported by a helpful international environment. If progress towards the elimination of poverty remained slow in Africa, particularly in sub-Saharan Africa, the gap between that region and the rest of the world would widen significantly. In that regard, the Group of 77 and China hoped that the New African Initiative would make a substantive contribution and that the United Nations Decade for the Eradication of Poverty would take due account of that Initiative. In order to bridge the existing differences and to meet the agreed goal of halving poverty by 2015 in all developing countries, particular attention must be paid to accelerating pro-poor economic growth as well as social development.

11. While the bulk of financial resources must come from domestic savings, foreign capital represented an indispensable component. In that regard, politically tainted constraints on investment should be removed and countries should refrain from imposing severe restrictions on the access of developing countries to credit. Moreover, the international financial system needed to be reformed in order to reduce, inter alia, the excessive instability of capital flows and ensure the participation of developing countries in the decision-making of international financial institutions. ODA remained crucial in the fight against poverty. Developed countries were therefore urged to honour their commitment to allocate 0.7 per cent of their GNP to ODA. Debt relief was a vital tool in support of developing countries' efforts to combat poverty and needed to be wider and deeper. He welcomed the proposed establishment of the world solidarity fund and hoped that a decision would be made during the current session of the General Assembly.

12. The expansion of international trade could also contribute to the promotion of economic growth and the eradication of poverty. Therefore, developed countries should remove trade barriers and subsidies, which seriously hampered access to their markets for the exports of developing countries. Turning to the role of technology, he noted that facilitating the transfer of technology to the developing world was critical to accelerating economic growth there. Given the serious threat of increasing technological marginalization of the South, including in the area of information and telecommunications technologies, urgent attention must be paid by the international community to the formulation and implementation of appropriate measures.

13. In conclusion, he noted that, while the Group of 77 and China appreciated the activities carried out thus far in support of national efforts to eradicate poverty, it believed that they should be continued and intensified.

14. **Mr. De Ruyt** (Belgium) spoke on behalf of the European Union, the Central and Eastern European countries associated with the European Union, Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, the other associated countries Cyprus, Malta and Turkey, and, in addition, Iceland, a European Free Trade Association country member of the European Economic Area. He emphasized the importance, in the context of preparations for the International Conference on Financing for Development, of the chapter on financial resources in the report of the Secretary-General (A/56/229 and Add.1 and Corr.1). Halfway through the first United Nations Decade for the Eradication of Poverty, more than a quarter of the world's population still had to survive on an income of less than one dollar a day. As the report confirmed, the objective of halving the proportion of poor people in the world by 2015 was attainable for most developing countries, but in about 50 others, mainly in sub-Saharan Africa, a more sustained effort was required.

15. The European Union's policy on development assistance was making an important contribution. Given the links between poverty reduction and sustainable development, it believed the World Summits on Food and on Sustainable Development would help to place the fight against poverty higher on the global agenda. Globalization had strong potential for eradicating poverty, but it must be accompanied by national and international measures to extend its benefits to all. The European Union advocated four types of action. First, creation of an internal and external environment conducive to productive investment, featuring good governance, respect for human rights and the rule of law, transparency and accountability in public affairs, and involvement of citizens in decision-making. Second, faster economic growth to create opportunities for the poor, while promoting their access to land, education and microcredit, and combating gender inequality. Third, empowerment of the poor by removing social barriers, social exclusion and discrimination. Fourth, provision of safety nets to protect the poor from economic and humanitarian crises.

16. The HIV/AIDS pandemic was taking a disastrous toll on economic and social development, especially in sub-Saharan Africa, and the problem of AIDS was a high priority for the European Union, to be addressed, inter alia, through the new Global AIDS and Health Fund.

17. Governments must formulate their own national strategies to combat poverty. The European Union encouraged the formulation and implementation of national policies, with involvement of the people concerned and of civil society organizations. It was endeavouring to strengthen planning capacity in the programme countries through technical assistance projects. In its integrated development policy, it relied on the poverty reduction strategy papers, which comprised quantified indicators, costed measures and a system for monitoring the impact of development programmes on poverty. It also welcomed the increased cooperation of the World Bank and the International Monetary Fund in combating poverty in the poorest countries.

18. In the view of the European Union, financing for development would come primarily from domestic sources, but there was no substitute for ODA, especially for the least developed countries. The worldwide downward trend in ODA must be reversed so that all donor countries would meet the target of contributing 0.7 per cent of total ODA and 0.15-0.20 per cent of their gross national product as ODA. As for the important contribution made by debt relief, funds released in the 23 countries which had already reached the goal set in the Highly Indebted Poor Countries initiative amounted to 90 per cent of their spending on public health or 50 per cent of their spending on education. Access to basic services could be greatly improved by the steps outlined in the 20/20 Initiative.

19. The consultations requested in General Assembly resolution 55/210 had not generated any concrete or detailed proposals for the creation of a world solidarity fund. Before considering any formal decision on such a fund, the European Union wanted to be sure that it would not duplicate existing operations or compete for resources with existing United Nations funds and programmes. Other ways of promoting development financing could be discussed at the forthcoming International Conference on Financing for Development. The European Union would prefer to discuss advocacy for the Millennium Declaration as part of the preparatory process for the Conference.

20. Work on sustainable development and poverty eradication would help to counter fanaticism and restore the values of freedom and tolerance. For the

European Union, the Millennium Declaration target of halving the proportion of the world's population living on less than one dollar a day by 2015 was an absolute priority. The same priority featured in the Agreement signed in Cotonou in February 2000, which would link 77 countries in Africa, the Caribbean and the Pacific (ACP) to the European Union for 20 years. The Agreement was a model of North-South cooperation which would guide the Union in the preparatory work for the International Conference on Financing for Development.

21. **Mr. Gopinathan** (India) associated his delegation with the statement made by the representative of Iran on behalf of the Group of 77 and China. Poverty was many-faceted and must be tackled by a development strategy which combined economic growth with programmes targeted at specific categories of the population, including women and other vulnerable groups. The international community must create an environment supportive of national policies for development and poverty eradication. While global living standards had been rising, extreme poverty had still affected 23 per cent of the world's population in 1998, compared with 28 per cent in 1987, and the total number of poor people in the world remained constant, with 1.2 billion living on less than one dollar a day, and 2.8 billion on less than two dollars. His own region had 500 million people in the former group. Poverty eradication was a shared responsibility calling for a global strategy. Clear targets had already been set in the Millennium Declaration, and the first United Nations Decade for the Eradication of Poverty should help to achieve them. The International Conference on Financing for Development should devise mechanisms to ensure the reliability and availability of development finance.

22. The discouraging record of the 1990s highlighted the need for multi-pronged action to ensure the availability of food, provide access to basic social services and enhance human capacity and opportunities for income generation. The international community had a crucial role to play in supporting human and institutional capacities, providing funds and transferring technologies to developing countries. The developing countries, in turn, should be able to participate in international economic decision-making. The developed countries must take steps to reverse the downward trend in ODA. If agreed ODA targets were met, an additional $100 billion a year would be released for development, compared with the $50 billion a year required to meet the goals set in the Millennium Declaration.

23. The poverty eradication strategy adopted in India focused on accelerating economic growth and providing basic services in both rural and urban areas, with a view to developing skills and generating self-employment among the poor. According to the Secretary-General's report (A/56/229), if future growth rates matched those of the 1990s, India would be able to meet the poverty eradication goals set in the Millennium Declaration. The national aim was to reduce poverty to 10 per cent of the population by 2012.

24. The United Nations had an important role to play in eradicating poverty, and should accord the highest priority to that and to development. His delegation supported the launch of the global poverty campaign, and the setting up of a world solidarity fund, both of which complemented international efforts to eradicate poverty.

25. **Mr. Kawaguchi** (Japan) noted that over 20 per cent of the world's population was still living in poverty. The international community must take concerted action to achieve the poverty eradication target set in the Millennium Declaration. A prerequisite for reducing poverty was political stability, so that it was important to resolve or prevent armed conflict, maintain social harmony and promote tolerance among different regional, ethnic, religious and linguistic groups. It was also necessary to ensure the provision of basic health and education services and water supplies. Japan had been assisting efforts by developing countries to combat infectious diseases such as HIV/AIDS, malaria and tuberculosis, and had been supporting the work of non-governmental organizations in that area through measures such as grant aid for grass-roots projects. In 2000 it had allocated 25 per cent of its ODA to the social sector.

26. Robust economic growth through the private sector was another prerequisite for poverty eradication. The public sector should create an appropriate environment and respect initiatives taken by individuals and civil society. It should also pursue sound macroeconomic and industrial policies, establish regulatory frameworks which promoted business, and develop the necessary infrastructure, including energy and water supply, roads, railways, ports, airports and

telecommunications. In 1999 Japan had sent 885 specialists to developing countries to work on development planning and public administration, and had received 3,259 trainees in those fields from abroad; it had also provided $5.5 billion in grants and concessionary loans for economic infrastructure and production. Its assistance had contributed to reducing poverty to developing countries, especially in East Asia, and it would continue to support the efforts of developing countries, in line with the principle of "ownership and partnership" introduced by Japan at the Tokyo International Conference on African Development (TICAD).

27. **Mr. Hidayat** (Indonesia), associating his delegation with the statement made by the representative of Iran on behalf of the Group of 77 and China, pointed out that the world's 1.2 billion poor people were condemned to short lives stunted by malnutrition, ill health and illiteracy. The persistence of such poverty in a world of abundance heightened the sense of those living in many developing countries that they were largely excluded from the benefits of globalization. Conflict and endemic diseases tended to thrive in regions where people were poor and uneducated, and inhibited both education and economic growth. The World Bank expected the economies of the poor countries to suffer more than the wealthier ones from the impact of the terrorist attacks of 11 September. According to the Bank, 10 million more people would fall below the poverty line in 2001, owing to the lack of safety nets.

28. The international community had taken numerous initiatives to combat poverty, including the global United Nations conferences of the 1990s. The work of the Bretton Woods institutions included the formulation of the poverty reduction strategy papers (PRSP). However, the results remained disappointing and the prospects of reaching the Millennium Declaration target by 2015 were extremely bleak. According to the International Fund for Agricultural Development, if poor countries failed to achieve the target, that would be because of neglect of the rural poor, who comprised 75 per cent of the world's poor.

29. To meet the Millennium goal, there must be concerted action at the national, regional and international levels to integrate the developing countries into the world economy. At the national level, development policies and programmes aimed at the poor should include enhanced provision of public services and infrastructure, capacity-building and greater participation by the poor in decision-making on development.

30. Trade was a key engine of economic growth. However, according to the Secretary-General's report restrictions on market access continued to hamper the developing countries, in spite of a general reduction in trade barriers. His delegation therefore supported Recommendation 2 of the report. Trade in food and agriculture should be geared to fostering food security for all through a fair and just system. The forthcoming World Food Summit would be focusing on the contribution of the international community to that end. Priority should also be given to the recommendations in the report for additional development financing, especially in the form of ODA, as well as improved debt relief for the highly indebted poor countries, including low-income and middle-income developing countries bearing a heavy debt burden. His delegation also supported the proposal in the report for a world solidarity fund for poverty eradication. Those issues should be addressed by the International Conference on Financing for Development. For its part, the Government of Indonesia would continue its efforts to combat poverty at all levels.

31. **Ms. Zhang** Xiao'an (China) observed that, while the benefits of globalization had failed to reach the poor, its negative aspects had increased their numbers. Prolonged poverty and lack of development were the root cause of many serious international problems: armed conflicts, social upheaval, waves of refugees, the spread of HIV/AIDS, humanitarian crises and terrorism. A world in which over one billion lived in extreme poverty allowed for no optimism as to the goal of halving poverty by 2015. The huge economic impact of the terrorist attacks against the United States — an additional 10 millions persons in the developing countries would become poor in the next year as a result, according to World Bank estimates — only compounded the problem.

32. Since poverty eradication ultimately depended on development, countries should work together so that all could share in the benefits of globalization. Individual Governments should incorporate poverty eradication, as a matter of priority, into national economic and social development strategies, while mobilizing forces from all walks of life to participate. Meanwhile, the international community had to support the developing countries to the utmost, by increasing ODA to meet the

0.7-per cent target, by opening the markets of developed countries to the products of developing countries, by giving debt relief to the highly indebted poor countries and by resolving the indebtedness of middle-income developing countries. The agencies of the United Nations system should coordinate their work and mobilize all possible resources as they cooperated closely with the poverty eradication agencies in the recipient countries, tailoring United Nations projects to the wishes of the countries themselves and thus enhancing project performance and hastening the achievement of development goals.

33. **Ms. Campos** (Venezuela) said that the way to eradicate poverty was to guarantee every human being access to economic opportunities that created the means of livelihood and to ensure basic social services for the most disadvantaged. True peace in the world required justice, whose most authentic expression was social justice.

34. As globalization progressed, account had to be taken of the imbalances between levels of development when seeking effective ways of eradicating poverty. No nation was exempt from the scourge of poverty and therefore all nations had to mobilize to find a solution. One strategy would be to unblock the resources needed to finance sustainable development, using the occasion of the forthcoming International Conference on Financing for Development to further economic growth and reduce poverty.

35. However, poverty would never be alleviated as long as the developing countries remained so heavily indebted and unable to invest in their own development and as long as international trade was not opened up to them in a just and balanced way. Consequently, the developed countries must channel ODA generously to the cause of poverty reduction, especially in the least developed and landlocked countries.

36. Nations themselves must devise comprehensive poverty eradication strategies and national plans or programmes to attack the structural causes of poverty, setting accessible goals within realistic time frames. It would be useful to evaluate the impact on individuals of international and national poverty reduction programmes, and then deal with their negative consequences. Such assessments should be done periodically, as more information became available, to chart improvements in economic and social conditions. A review of the implementation of the international development strategy for the fourth United Nations development decade would also be in order. It was incumbent on all involved in the struggle to endorse whatever action the United Nations proposed to eradicate poverty.

37. Venezuela, in order to deal with the problem of poverty, had given high priority to social problems and the particular situation of women, children, old people and other vulnerable groups, guaranteeing them special assistance. It wholeheartedly endorsed the Secretary-General's recommendations for the reduction of poverty.

38. **Mr. Kolby** (Norway) observed that the objectives of the United Nations Decade for the Eradication of Poverty seemed unattainable for too many countries because of highly unfavourable growth rates, among other factors. An extraordinary effort would also be required by all partners in development to achieve the development goals of the Millennium Summit. The recommendations in the report of the Secretary-General pointed to several key areas where efforts must be increased. National development strategies, for instance, had to include clear targets for poverty reduction. Increased market access for all products was of the utmost importance for the developing countries; in that connection, Norway had decided to eliminate customs duties and quotas on all products, except arms, from the least developed countries. There was also a great need to find innovative ways of promoting investment in developing countries, especially the poorest ones, by both foreign and national investors. All donors should strive to increase ODA to the 0.7 per cent level: Norway itself would reach 0.9 per cent in 2002 and was aiming at 1 per cent. More adequate debt relief had to be given to the highly indebted poor countries. Furthermore, the international community should seize the occasion of the forthcoming International Conference on Financing for Development to agree on effective ways to mobilize resources for poverty eradication. In order to achieve the development goals of the Millennium Summit, the United Nations itself had to establish better coordination. The world solidarity fund for poverty eradication proposed by the Secretary-General should indeed not duplicate the work of existing aid institutions, from which scarce resources must not be diverted.

39. The terrorist attacks of 11 September 2001 in the United States had reduced the prospects for achieving

the international community's goals, reinforcing a recession that had already begun in a number of countries. Millions more could fall into or remain in abject poverty as a result of the tragedy, and the worst hit area was likely to be Africa. The fight against terrorism was also a fight against poverty. All had a responsibility to prevent an even deeper recession with disastrous consequences for the poorest countries.

40. **Archbishop Martino** (Observer for the Holy See) said that human beings were at the centre of concerns for sustainable development; therefore, in respect of the eradication of poverty, the issue was the well-being of every human person and the lives of the hundreds of millions of people living in poverty. Despite the overall decrease in the proportion of people living in poverty, the actual number of people living in absolute poverty had not declined.

41. Governments were continuing the dialogue in the hope that a real and sustainable solution might be found. It was precisely that hope that strengthened the work of the Committee and of the entire United Nations system, and that allowed the people living in poverty to trust that the means for a better life would be found.

42. The Holy See welcomed the decision of the Commission for Social Development to review the progress made during the first United Nations Decade for the Eradi ıtion of Poverty. The report of the Secretary-Ge. ral must be read in conjunction with the report on *The World Social Situation, 2000,* which called attention to the importance of creating a more just society and appealed for greater economic harmony between the rich and the poor. In the view of the Holy See, the basis for sustainable development should be seen in a different light: to speak of economic development, social development and environmental protection no longer seemed to be sufficient in the light of the HIV/AIDS pandemic and other devastating diseases, armed conflicts, the masses of refugees and displaced persons, and the inability to close the gaps in providing basic social services. Finding solutions would be difficult, but the search must continue.

43. **Mr. Benmellouk** (Morocco) observed that over a billion persons continued to live in extreme poverty, and that the international community had not yet found a way to use scientific and technological progress to help them. Although many parts of the world were on their way to meeting the 2015 poverty reduction target, sub-Saharan Africa, owing to its weak economic growth, had seen the numbers of its poor increase in the past decade. Many factors were responsible: the technological gap, an absence of viable basic infrastructures, the debt burden, a lack of foreign investment, low official development assistance and the ineffectual nature of measures taken to assist Africa.

44. Poverty had many dimensions. The multisectoral problems involved had to be dealt with in a comprehensive and integrated way by public authorities, the private sector, non-governmental organizations and civil society. That was the approach the African countries themselves had decided to take in dealing with poverty and development in general, in adopting the New African Initiative at the 37th ordinary session of the Assembly of Heads of State and Government of the Organization of African Unity. They were determined to take charge of their own economic and social development and make poverty reduction the focus of their programmes of action. In its concern to help other African countries devote more resources to development, Morocco had announced that it would cancel the debt owed to it by the poor countries of Africa and allow free market access for their exports.

45. The battle against poverty was one of his Government's main priorities, with programmes targeted at the disadvantaged urban and rural populations. An agency for social development had been set up to combat poverty, with welcome outside assistance. Morocco would shortly be hosting an international forum on urban poverty, to consider ways of enabling vulnerable groups to benefit from globalization, and other related technological, financial, political and social themes.

46. Although Governments were primarily responsible for the development of their countries, the support of the international community and a favourable international climate played a role in the success of national poverty reduction strategies. The recommendations to that effect in the report of the Secretary-General deserved strong support. His delegation also favoured the establishment of a world solidarity fund for poverty eradication, which would complement the activities of existing bilateral, multilateral and international bodies. If the fund was to receive voluntary contributions from Governments, it

would be all the more important to secure contributions from foundations, non-governmental organizations, the private sector, civil society and international institutions. Such a fund was fully in keeping with the principle of solidarity and sharing of responsibility set out in the Millennium Declaration.

47. The struggle against poverty entailed opening up the markets of developed countries to exports from the developing countries. The debt of the developing countries must also be alleviated to release more funds for development and poverty reduction, without any lessening of ODA. Greater international economic cooperation, and improved coordination among international institutions and policies, in part through the forthcoming international conferences, would support the developing countries' struggle against poverty.

48. **Ms. Viotti** (Brazil) said that there was now a better appreciation of the multiple dimensions of the problem of poverty and of the virtues of sound macroeconomic policies, investment in human resources, protection of the vulnerable segments of the population, a healthy environment and public-private sector partnerships. It was also recognized that good governance at the domestic level, though a necessary condition, was not sufficient. Economic growth, a key factor in an effective strategy against poverty, required coherence between domestic policies and the international environment. Developing countries could achieve their full growth potential only if they were able to count on industrial markets for their exports and if they could supplement national resources with finance, investment and technology from abroad. Her country was committed to doing its part by focusing on the task of increasing domestic efforts while building an enabling international environment. For the period 2000-2003, her Government had launched a plan aimed at enhancing government transparency and efficiency. In that context, considerable progress had been achieved in the fields of education, health, food security and agrarian reform. The HIV/AIDS programme had made it possible to stabilize the epidemic and reduce hospitalization and AIDS-related deaths.

49. Domestic policies, in order to be fully successful, must rely on a supportive international environment. The downturn in economic activity in developed countries would have a serious impact on developing countries and their ability to meet their development goals. That made international cooperation even more essential and urgent. A fair world trading system had a key role to play in that regard. Trade liberalization, providing improved market access to the agricultural and manufactured products of developing countries, and elimination of export subsidies and remaining trade barriers were essential in order to enable developing countries to benefit to the full from their comparative advantages. Another matter of concern was instability in the international financial system. The developing countries must participate fully in the task of building a sound international financial system in the coming years.

50. Her country fully supported the Secretary-General's recommendation for a global campaign for poverty eradication within the framework of the Millennium Declaration and the first United Nations Decade for the Eradication of Poverty, together with his recommendation for the establishment of a world solidarity fund, which would demonstrate the genuine commitment of the United Nations system and of Member States to poverty eradication. The principles that would guide the management and use of resources and other related aspects of the operation of the fund should be discussed in depth by all Member States and defined no later than the fifty-seventh session of the General Assembly.

51. In conclusion, she acknowledged the value of the assistance provided throughout the years by United Nations programmes and funds to the development and poverty-eradication efforts of the developing countries, and the need for adequate funding in order to ensure the sustainability of those efforts.

52. **Mr. Jalang'o** (Kenya) associated his delegation with the statement made by the delegation of the Islamic Republic of Iran on behalf of the Group of 77 and China and he said that, despite the enormous progress in science and technology, recent global trends on the containment of poverty remained a matter of great concern as about one quarter of the world's population still lived in abject poverty. Unlike other regions of the world where the incidence of poverty was falling, over 52 per cent of the population of Africa lived below the poverty line. The number of undernourished people had continued to increase while about one billion people in the world still had no access to clean drinking water. Maternal and infant mortality rates were still at their highest level, a situation that was compounded by the global

prevalence and spread of HIV/AIDS, especially among adults, where the disease was still on the rise in sub-Saharan Africa.

53. The Millennium Declaration set noble targets for the eradication of poverty but they would be difficult to achieve within the set time frames unless the present global economic system changed. The targets set at the World Food Summit in 1996 to reduce the world's poor by half by 2015 was already behind schedule. Improvement in the situation in sub-Saharan Africa depended on maintaining economic growth at higher levels and much would depend on progress in improving other indicators of poverty, including life expectancy, school enrolment and child mortality. Without progress in those areas, including containment of the HIV/AIDS pandemic, the gap between the African region and the rest of the world would continue to widen significantly. However, given the abundant natural resources of the subcontinent, the adverse socio-economic impacts of poverty and HIV/AIDS could be reversed if African governments displayed a willingness to address them resolutely.

54. Additional resources were needed to put in place the necessary infrastructure to stimulate increased economic activity in a globalized world. It would be possible to capitalize on domestic resources only if African economies were enlarged and incomes increased. As private capital flows were an unreliable source of development financing, it was important to improve the quantity and quality of ODA to developing countries.

55. The debt burden of many developing countries had constrained their ability to reduce poverty and attain development goals, in particular by adversely affecting budgetary allocations to essential services such as health and education. While his delegation appreciated and supported the efforts of development partners towards finding a durable solution to the debt crisis, including the Heavily Indebted Poor Countries Initiative, it believed that much remained to be done to free developing countries from the debt burden.

56. In most of the developing countries, agriculture alone accounted for 80 per cent of total rural incomes and employment, making that sector an important starting point in poverty eradication. While those countries undertook the necessary reforms at the national level, genuine efforts were required from their trading partners in order to eliminate trade distortions and barriers with a view to improving market access for agricultural commodities from developing countries. The World Trade Organization should mainstream into its agenda such issues as poverty alleviation, financing for development and technology transfer.

57. The full implementation of the commitments agreed at past United Nations conferences and special sessions of the United Nations General Assembly should be the top priority of developing countries. Development resources must be provided on a predictable and continuous basis.

58. **Mr. Bwomono** (Uganda) said that the Secretary-General's report painted a mixed picture of how poverty reduction targets were being met, with sub-Saharan Africa lagging dramatically. Uganda, which had made the struggle against poverty one of its priorities, intended to overhaul its economic policies in order to favour the production of exports tailored to the needs of the people rather than those of industries abroad. The Government's poverty eradication programme, aimed at economic growth and equitable income distribution as well as the provision of basic services, sought to address issues of governance, trade liberalization and privatization; to focus on key areas such as agriculture and the informal sectors; to empower the disadvantaged, especially through gender mainstreaming; to improve the country's physical infrastructure and thus give access to markets; to ensure adequate levels of health care and education; to establish a poverty monitoring system; and to work with United Nations agencies, non-governmental organizations and other community-based organizations. In the process, Uganda had virtually assured universal primary education, with universal secondary education targeted for 2005. National microcredit and youth-credit schemes had been put in place, and access to basic health care had been much improved. Vigorous campaigns had reduced the rate of HIV/AIDS in the population.

59. Comprehensive strategies such as Uganda's should be supported by commitments at the major international conferences. Yet even so, the goal of halving poverty by the year 2015 hung in doubt. It needed to be recognized that poverty eradication was linked to debt relief and improved market access for the developing countries.

60. **Mr. Kumalo** (South Africa) noted that the overall progress in the reduction of poverty had been very slow and many developing countries were failing to meet development goals such as reducing infant mortality or lowering the proportion of people without access to clean water. The World Bank's preliminary projections of the impact on the world economy of the terrorist attacks of 11 September 2001 indicated an unfavourable outlook for economic growth in developing countries, especially in the light of the current economic slowdown. The greatest impact of the situation would be borne by the most vulnerable economies, especially those in Africa, which risked being further marginalized. The exclusion of Africa from the benefits of globalization was clearly counterproductive for the maintenance of peace and stability on the continent.

61. The situation called for renewed concerted efforts by all, at both national and international levels, and there was a clear need to act on the commitments of the Millennium Summit and the Millennium Declaration. African countries had given serious thought to the problem of the huge disparities in development between North and South and the persistence of poverty and underdevelopment in their countries and had committed to the New African Initiative, a sustainable development programme whose objective was to eradicate poverty on the continent and to place African countries on the path of sustainable growth and development. In that connection, African Governments had pledged to work individually and collectively to promote the principles of peace, security, democracy, good governance, human rights and sound economic management as well as regional cooperation and economic integration as preconditions for development.

62. The outcomes of the forthcoming international conferences and summits had an important bearing on the fight against poverty. It was therefore imperative to strengthen cooperation among all stakeholders, nationally and internationally, in order to ensure that those meetings delivered tangible solutions to the poor and contributed significantly to the fulfilment of international development goals. In order to increase world trade, it was important to guard against protectionism which would further marginalize developing countries, especially those in Africa, and the least developed countries in particular, which were currently not reaping the benefits of world trade, largely because of trade barriers, protectionism and lack of capacity. His delegation therefore called for a round of development-oriented trade talks focusing on trade as a tool for poverty eradication and development. It was important to ensure that the forthcoming International Conference on Financing for Development, to be held at Monterrey, Mexico, would focus on themes that were central to the economic development of all developing countries, including those on the African continent. The outcome of the Conference must set the stage for strengthened international cooperation for development and result in a renewed resolve to ensure the attainment of the agreed development targets.

63. The World Food Summit to be held shortly at Rimini, Italy, was a response to the realization that the goal of halving poverty by the year 2015 might not be reached without renewed international efforts. Hunger, from whatever cause, continued to be a major source of suffering across the globe and African countries faced a particular challenge in achieving sustainable food security. For the agricultural sector to play its role in that regard it must be supported through investments in infrastructure, adequate financing instruments, research and institutional and human development, in order to ensure an increase in productivity and promote market activity.

64. In keeping with the overarching goal of poverty eradication in the New African Initiative, the Southern African Development Community had proposed that the theme of the World Summit on Sustainable Development, to be held at Johannesburg, South Africa, in 2002 should be "Poverty eradication as key to sustainable development". It was hoped that the Summit would reinvigorate the commitment of the international community to the goals of sustainable development and would also seek to address other dimensions of poverty such as access to water, energy, biodiversity, food security, desertification and land degradation.

65. In the past seven years, his own country had embarked on programmes aimed at socio-economic development in line with the objectives of the first United Nations Decade for the Eradication of Poverty. Its economy was growing and it continued to play an increasing role in Africa and among the countries in the South as a partner with others in advancing the goals of democracy, human rights, peace and prosperity. There had been notable successes in many areas such as the provision of access to adequate

housing, medical care, fresh water, free primary education, basic social welfare grants, school feeding schemes and so forth. His Government was also continuing its efforts to promote the development of rural communities, to pay special attention to the needs of vulnerable groups such as rural women and children, and to provide training and capital to microenterprises and to promote other development programmes.

66. South Africa and the African continent as a whole had to contend with the catastrophe of HIV/AIDS against the background of pervasive poverty, underdevelopment and a range of other public health challenges. African countries would continue resolutely to address the huge challenges of disease, illiteracy, poverty, natural disasters and environmental degradation. Public-private sector cooperation and partnerships were critical to the development process. Great importance was also attached to cooperation with other countries and stakeholders at the regional, interregional and international levels, as well as with United Nations funds and programmes.

67. His delegation welcomed the Secretary-General's recommendation to the General Assembly to establish a world solidarity fund for the eradication of poverty and looked forward to a fruitful engagement with its partners on the modalities for putting it into effect.

68. **Ms. Enkhtsetseg** (Mongolia), associating her delegation with the statement made by the representative of the Islamic Republic of Iran on behalf of the Group of 77 and China, noted that, unless adequate and urgent measures were taken globally, regionally and at the national level, the goals of the Millennium Declaration would remain largely unattainable for many developing countries. The Secretary-General's report also emphasized, however, that the goal of halving poverty was ambitious but not beyond reach. The main emphasis should be on trade, aid and the burden of debt. In all those areas, important pledges had been made but few had been translated into action.

69. Over the past 30 years, the number of least developed countries in the world had almost doubled and their share in the world's exports had declined by 40 per cent since 1980. As the hardships faced by the developing world increased, the level of ODA had been declining at an alarming rate. In order to overcome donor fatigue and enhance political support for an increase in ODA, it was essential that foreign assistance should promote domestic growth and sustained economic development, reduce long-term aid-dependence and result in the reorientation of aid programmes towards greater foreign investment inflows.

70. It was to be hoped that the International Conference on Financing for Development would provide an opportunity to reverse the declining trend in ODA and enhance the coherence and consistency of support for poverty eradication. It should give impetus to renewed cooperative efforts and a more robust multilateralism in the age of globalization.

71. Private financial flows could not replace ODA, particularly in the areas of social development and poverty reduction. That applied particularly to the most vulnerable developing countries, such as the least developed landlocked countries and small island countries, on which the forthcoming conference would be focusing.

72. While increasing trade liberalization offered opportunities, it inevitably entailed risks. New opportunities should be employed to ease the burden of poverty on the poorest countries and the risks should be addressed by the global community through cooperative efforts. The landlocked developing countries depended heavily on export-based sectors for funding their national efforts to reduce poverty. It was thus important that the interests and special needs of the landlocked developing countries were taken into account within the multilateral trade regimes. It was also important for landlocked and transit developing countries to engage in enhanced cooperation to facilitate transit transport and to maintain the momentum gained in recent years to provide technical and financial assistance to those efforts. Her delegation welcomed the fact that poverty reduction was defined as one of the major cross-cutting themes in the Secretary-General's road map for implementation of the Millennium Declaration and hoped that it would serve as a blueprint for specific and coordinated efforts by United Nations bodies to halve extreme poverty and bring new as well as existing programmes at both national and international levels under a broad umbrella to implement the millennium goals. The proposed world solidarity fund for poverty eradication could make a significant contribution to the achievement of those goals. The other important recommendations in the Secretary-General's report should be incorporated in the resolution on poverty

eradication to be adopted at the current session of the General Assembly.

73. Her Government had implemented a national poverty alleviation programme for 1996-2000, major components of which were national capacity-building, income-generating projects and short-term job creation through public works, with special emphasis on reducing rural poverty. One of the most important aspects of the poverty alleviation strategy being followed by her country had been efforts to make available more financial resources for the poorest groups through innovative microfinance initiatives.

74. In order to contribute to the attainment of the targets of the Millennium Declaration, her Government had recently adopted the good governance for human security programme which it was resolved to implement, together with its poverty alleviation component, in close cooperation with its bilateral and multilateral development partners.

75. If business were conducted in the same manner as in the past, between 50 and 70 developing countries would be unable to halve the levels of extreme poverty by the year 2015. It went without saying that adequate resources to eradicate world poverty were available; what was now required was a change of heart and a display of political will and shared responsibility.

The meeting rose at 1.05 p.m.

United Nations A/C.2/56/SR.12

General Assembly
Fifty-sixth session

Official Records

Distr.: General
5 December 2001
English
Original: Spanish

Second Committee

Summary record of the 12th meeting
Held at Headquarters, New York, on Friday, 12 October 2001, at 3 p.m.

Chairman: Mr. Mbayu (Vice-Chairman) ..... (Cameroon)
later: Mr. Djumala (Vice-Chairman) ..... (Indonesia)

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(c) Science and technology for development (*continued*)

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01-57813 (E)

In the absence of Mr. Seixas da Costa (Portugal), Mr. Mbayu (Cameroon), Vice-Chairman, took the Chair.

The meeting was called to order at 3.10 p.m.

Agenda item 95: Macroeconomic policy questions (*continued*)

(c) Science and technology for development (*continued*) (A/C.2/56/L.2)

Introduction of draft resolution A/C.2/56/L.2

1. **Mr. Mirafzal** (Islamic Republic of Iran) introduced draft resolution A/C.2/56/L.2 on behalf of the Group of 77 and China.

2. *Mr. Djumala (Indonesia), Vice-Chairman, took the Chair.*

Agenda item 103: Implementation of the first United Nations Decade for the Eradication of Poverty (1997-2006) (*continued*) (A/56/222-S/2001/736, A/56/229 and Add.1, A/56/260, A/56/306)

3. **Mr. Mejdoub** (Tunisia) endorsed the statement made at the previous meeting by the representative of the Islamic Republic of Iran on behalf of the Group of 77 and China and recalled that the Heads of State and Government had decided at the Millennium Summit to make the eradication of poverty one of their priority areas of action. They had also reaffirmed their commitment to halve, by the year 2015, the proportion of the world's population living in poverty. However, the Secretary-General indicated in his report (A/56/229) that it would not be easy to achieve that goal. Various studies predicted that only a few countries were likely to achieve it and that many countries, particularly those in sub-Saharan Africa, must improve their growth performance over that recorded in the previous decade if they were to make progress in the fight against poverty.

4. His delegation recognized that it was up to developing countries not only to promote good governance, sound macroeconomic management, and cooperation with a dynamic private sector and civil society but also to ensure that poverty eradication objectives were included in national socio-economic development strategies. For its part, Tunisia had managed to strike a balance between the requirements of economic development and social development and had made promising strides with respect to economic growth, per capita income, poverty reduction, school enrolment and reduction in unemployment.

5. He agreed with the Secretary-General that only through cooperation and partnership could a better future be achieved for mankind. The international community should assist developing countries to implement poverty reduction strategies; provide rapid and lasting debt relief to those countries, including middle-income countries; improve the market access for the agricultural and manufactured exports from developing countries; eliminate export subsidies; establish a stable and well managed trade and financial system; and reverse the declining trend in official development assistance so that developed countries could achieve the target of 0.7 per cent of their gross national product for overall ODA.

6. Tunisia's endorsement of the establishment of a world solidarity fund was based on its own experience and on the results achieved by the national solidarity fund. The world solidarity fund would be financed through voluntary contributions from individuals, the private sector, associations, institutions, governments and any other sources. The voluntary contributions could be deposited into a trust fund administered by the United Nations Development Programme (UNDP). In-kind contributions could consist of goods and services, work and expertise. In each country, the world solidarity fund's resources would be used within the framework of ongoing policies, strategies and activities at the national level, while taking into account international and local experiences in that regard. The fund's interventions could aim at improving the living conditions of the people and creating and strengthening income-generating activities through the financing of micro projects in the agriculture, handicrafts and cottage industry sectors, paying particular attention to the female population. The fund's work would be carried out in conjunction with other programmes and funds of the United Nations and it would be entrusted to governmental and non-governmental development organizations.

7. **Mr. Mainali** (Nepal) said that his delegation associated itself with the statement made by the representative of the Islamic Republic of Iran on behalf of the Group of 77 and China. Poverty eradication was the main plank of the Millennium Declaration, and increased global solidarity and cooperation would be vital to the achievement of that goal. Nepal's

experience had shown that resource constraints were the key impediment to reducing poverty in the developing countries; to their dismay, however, global targets for official development assistance remained unmet, and flows of such assistance continued to decline. Debt was eating up most of the export earnings of developing countries, and the Heavily Indebted Poor Countries (HIPC) Initiative continued to stumble for lack of resources and speed. Private sector capacities were limited and foreign investment flows were virtually non-existent; trade remained biased in favour of a wealthy few and globalization had marginalized the weakest countries.

8. Nepal was in favour of establishing a world solidarity fund for poverty eradication, as agreed at the South Summit, and called on development partners in the North to contribute to the fund generously and those in the South to make contributions to the best of their capacity. His Government appreciated the European Union's initiative in offering to host the Third United Nations Conference on the Least Developed Countries and its "everything but arms" scheme to stimulate the least developed countries' trade and their integration into the global economy.

9. Landlocked developing countries needed special attention from the global community in order to develop their transit and transport infrastructure; promote their agriculture so as to address their food and nutritional deficiency — which was caused by not having access to resources from the sea — and encourage high-value low-volume industries so as to offset their geographical remoteness from the corridors of international trade. Nepal was implementing a poverty eradication strategy as the only objective of its ninth five-year plan. Resource constraints and a volatile external environment were the principal challenges the country faced. His delegation urged the international community to help Nepal in its efforts and hoped that a reliable blueprint for mobilizing resources for development would be drawn up at the International Conference on Financing for Development.

10. **Mr. Salazar** (Peru) said that he endorsed the statement made by the representative of the Islamic Republic of Iran on behalf of the Group of 77 and China. Poverty brought with it not only hunger, but also ignorance, disease, lack of opportunities, inability to protect the rights of the individual, loss of hope and violence. Poverty reduction, which represented one of the greatest challenges of the twenty-first century, would be a more viable undertaking if civil society and the large national and multinational corporations joined in that effort. Despite the efforts of organizations such as the United Nations, the international community had yet to come up with an effective and definitive response to the problem.

11. Under the present circumstances, with every problem taking on global proportions, poverty was no longer someone else's problem; it affected everyone. Hence, if stability was the goal, there was no alternative but for each individual to make sure that his or her neighbours also enjoyed stability.

12. In Peru, almost 50 per cent of the population lived in poverty; 20 per cent lived in extreme poverty. In order to address that phenomenon, the country must assume responsibility for putting in place the necessary conditions domestically, but to do so it must have financial resources from the international market; official development assistance played an extremely important role in that regard. His delegation would welcome a world solidarity fund financed with voluntary contributions from governments, international organizations, foundations and the private sector, with the funds obtained being allocated according to the depth of poverty in each country. However, it must be borne in mind that in order for economies to grow and for nations to make progress, they must be able to compete on the international market on an equal footing and in an open, transparent, adequately regulated and predictable financial environment. Making such a system a reality would be the central mission of the International Conference on Financing for Development to be held in Monterrey.

13. **Mr. Valera** (Mexico) said that poverty eradication was without a doubt the greatest economic, political, humanitarian and moral challenge of the times, inasmuch as it gave rise to collateral problems such as the destruction of the environment, contagious diseases, illegal immigration, insecurity, fanaticism and terrorism.

14. Mexico was determined to redouble its efforts to achieve the goals set forth in the Millennium Declaration in the fields of education, health, employment and equality. To that end, it had adopted policies and programmes that emphasized human development as one of the main vehicles for individuals, families and communities to improve their capacities and take advantage of every available

opportunity to raise their living standards. In 2001, three sectoral programmes — the national programme to overcome poverty and marginalization, the national urban development and land management programme and the national housing programme — had made it possible for over 6.4 million families, totalling 27 million persons, to receive direct support in their efforts to address and overcome poverty. Special mention should be made of the education, health and food programme (PROGRESA), which was designed to provide support to families living in extreme poverty. That programme reached 53,000 communities and served 2.5 million families. The beneficiaries, especially women and girls, had experienced improvements in their nutrition and their access to health services. Participation in primary and secondary education had increased, and the programme would be extended in 2002 to high school. Legislators from different political parties, as well as government officials, academics and representatives of civil society were all in agreement as to the need for a suitable legal framework to facilitate the formulation, implementation, evaluation and institutionalization of public policy on social issues that would also provide a framework for the participation of the social and private sectors.

15. Although it was up to individual countries to pursue their own poverty eradication programmes, they needed the cooperation of the United Nations in addressing that gigantic challenge. It was to be hoped that the International Conference on Financing for Development and the World Summit on Sustainable Development, to be held in 2002 in Monterrey and in Johannesburg, would contribute towards the building of a more just and equitable world, a more humane world with equal opportunities for all.

16. **Mr. Nguma** (United Republic of Tanzania) said that his delegation associated itself with the statement made by the Islamic Republic of Iran on behalf of the Group of 77 and China. It was unacceptable that such a level of poverty was allowed to prevail when the world was not short of the resources and capacity to eradicate it. There was a direct link between globalization and poverty. The external debt burden, inadequate resource flows, both in terms of ODA and foreign direct investment, weak commodity prices, the vagaries of nature and, in some cases, continued armed conflict, perpetuated poverty in the developing countries, which continued to be marginalized in the globalization process. Poverty could not be eradicated nor could the target of halving the number of people living in poverty by the year 2015 be attained without addressing those problems and assisting those countries to become fully integrated into the world economy. It was the duty of the international community to provide a conducive environment that would help to meet the basic needs of humankind. One way of doing so was to help to achieve the economic development of developing countries.

17. Although various initiatives had been taken in recent years to reduce poverty, the situation had not changed for the better. While the most important component in the war against poverty was ODA, developing countries needed a type of aid that would increasingly enhance capacity for ownership of the development process and which would generate self-reliance. Among other things, they needed aid to help develop an attractive climate for private sector investment. In that regard, his delegation supported the proposal to establish a world solidarity fund for poverty eradication which would complement the support currently received by developing countries. The problem of the external debt, which constituted a major obstacle to the implementation of poverty reduction programmes, also needed to be addressed.

18. His country had begun to implement various poverty reduction measures since it attained independence in 1961. Beginning in 1966, the Government had started preparing the National Vision aimed at eradicating poverty in the country by the year 2025. In that context, in June 1998, the National Poverty Eradication Strategy had been adopted. The principal goal of that Strategy was to prepare a conducive environment that would enable the country to reduce by half the number of Tanzanians living in poverty by the year 2010, with the ultimate goal of completely wiping out poverty by the year 2025. Furthermore, his Government, in collaboration with its development partners, had concluded the Poverty Reduction Strategy Paper which would allow the country to gain access to HIPC funds to finance development activities aimed at poverty reduction.

19. He concluded by quoting from a statement made by the President of the United Republic of Tanzania before the General Assembly in 1999: "These are challenging times, especially for developing countries. Yet I believe there is a ray of hope for building the foundations of a more equitable and dynamic system of

international development cooperation ... As we enter the new millennium, I wish to reiterate our firm commitment to cooperate with others in achieving the goals of the United Nations, particularly those relating to the promotion of economic development and prosperity."

20. **Mr. Lee** Kyung-chul (Republic of Korea) said that in the current era of globalization, the persisting imbalances in economic and social growth among regions, and among and within countries, remained a source of concern for the international community. The Millennium Summit had provided considerable impetus towards the achievement of the ultimate goal of the First Decade for the Eradication of Poverty — halving by the year 2015 the proportion of people living in extreme poverty. However, as the international community entered the second half of the Decade, it found itself at a crossroads. Achievements in terms of global poverty reduction had not been satisfactory. In particular, his delegation was greatly concerned about the economic situation in much of sub-Saharan Africa, where the number of people living in poverty had increased in both absolute and relative terms. On the other hand, some encouraging trends towards higher standards of living had been noted in other parts of the developing world, with modest but positive progress in such areas as nutrition, access to clean water, primary education and gender equality. Regional, strategically-designed approaches to development, such as the recent New African Initiative, deserved special attention and support. The financing for development process provided a unique opportunity to map out globally committed strategies for development at a high political level. There was no shortage of ideas in the field of development. Such ideas could best be discussed, put into practice and prioritized in the overall context of financing for development.

21. **Ms. Siddharth** (International Labour Organization) noted with satisfaction that the Secretary-General's report recognized the consistency between the "decent work" approach of the International Labour Organization (ILO) and the multifaceted character of poverty. In the midst of the uncertainties that globalization had brought, what people wanted was work. Work that met the needs of families in regard to safety, education and income security after retirement. Work in which they were treated decently and their basic rights were respected. That was what "decent work" was about. Translating that concept into a policy framework for poverty reduction required attention to the four components of the concept, namely employment; labour standards, especially the fundamental principles and rights at work; social protection and social dialogue. The work of ILO in the field of employment was aimed at strengthening the efforts of its Member States in optimal utilization of that instrument of poverty reduction. The country-level approach enabled ILO to identify the strengths and weaknesses of employment policies adopted by various countries and to draw useful lessons to be shared through a number of forums and consultations at the regional and international levels. Work focusing on specific groups, such as youth and women, continued to be an important component of its employment-promotion activities.

22. The Jobs for Africa programme was a special ILO job-creation initiative aimed at reducing poverty, the basic approach of which was to influence investment so as to promote employment-intensive, pro-poor growth. Employment for poverty reduction was an objective in both macroeconomic and sectoral policies, as well as in interventions at the micro level. That involved integrating the employment objective into the poverty reduction strategy papers which were part of the Heavily Indebted Poor Countries (HIPC) Debt Initiative. Strengthening national capacity to undertake those tasks was also an important component of that major ILO programme, which was currently being implemented in 16 countries of Africa.

23. In order to respond to crises of various types which exacerbated the problem of poverty, ILO had recently put in place a programme to provide support in formulating and implementing reconstruction programmes focusing on employment and livelihoods. For instance, in Mozambique the Organization's efforts were directed at supporting the social and economic reintegration of the uprooted population, rehabilitation of basic services, improvement of accessibility to the damaged area, productive infrastructure reconstruction and offering new options for decent jobs. In terms of practical approaches to job creation, ILO remained active in a number of fields, including micro- and small-enterprise development, promotion of cooperatives, application of labour-based approaches in infrastructure, microfinance and skill development for enhancing employability.

24. Since the mid-1970s, ILO had provided technical assistance to developing countries and countries in

transition in designing and implementing skills-training programmes for populations living in poverty and social exclusion. It had developed a participatory approach to skills development which had been applied extensively in technical assistance programmes, especially in Asia, Africa, central and eastern Europe and central Asia. The capacity-building programme on gender, poverty and employment focused on awareness-raising and provided practical support through training and pilot actions relating to the interface between gender, poverty reduction and employment promotion.

25. The ILO Constitution of 1919 stated that universal and lasting peace could be established only if it was based upon social justice. The 1944 Declaration of Philadelphia acknowledged that poverty anywhere constituted a danger to prosperity everywhere and stated that all human beings, irrespective of race, creed or sex, had the right to pursue both their material well-being and their spiritual development in conditions of freedom and dignity, of economic security and equal opportunity. In conclusion, she said that ILO remained committed to the success of the United Nations Decade for the Eradication of Poverty, and a large number of its activities were geared towards contributing to that objective.

26. **Mr. Hamad** (United Nations Educational, Scientific and Cultural Organization (UNESCO)) recalled that in paragraph 17 of resolution 55/210, concerning implementation of the first United Nations Decade for the Eradication of Poverty, the General Assembly had emphasized the critical role of education, particularly basic education and training, in particular for girls, in the empowerment of those living in poverty. The Director-General of UNESCO was focusing much of his attention on the follow-up to the Dakar Framework for Action with a view, first, to maintaining and enhancing the high political commitment to the Education for All initiative internationally, regionally and nationally and, second, to mobilizing international financial support for that initiative, including through innovative and non-conventional channels such as debt relief and strengthening the role of the corporate sector. Without a massive investment in education by both donor and recipient countries of official development assistance and other forms of assistance, the international community would be unable to achieve the targets set in the Dakar Framework for Action. The General Assembly should encourage the donor community to consider education as the safest investment in the fight against extreme poverty. Addressing the ministerial review meeting of the nine high-population countries, the Director-General had observed that investment in basic education produced high rates of return, since basic education contributed decisively to improving a community's quality of life, and that a nation could not hope to sustain economic growth and alleviate poverty without a literate and numerate population.

27. At the initiative of the Director-General of UNESCO, a meeting of a high-level group on Education For All (EFA) would be held at UNESCO headquarters on 29 and 30 October 2001. He hoped that such gatherings would, in time, help to mobilize sufficient resources to meet the real needs of EFA.

28. At its 161st session in May 2001, the Executive Board of UNESCO had adopted a strategy for the cross-cutting theme: eradication of poverty, especially extreme poverty, designed to broaden the focus of international and national poverty reduction strategies through the mainstreaming of education, culture, the sciences and communication. The Management of Social Transformation Programme was responsible for coordinating the implementation of that strategy. He encouraged the Committee to bear the strategy in mind when it considered the outcome of its discussions on agenda item 103.

29. **Mr. Ragab** (Egypt), expressing his support for the statement made by the representative of the Islamic Republic of Iran on behalf of the Group of 77 and China, said that the Committee should pay particular attention to the eradication of poverty and that the international community should focus its efforts on the same objective. The successive financial crises of recent years were compelling evidence of the need to find solutions to the problems resulting from globalization. To that end, the developed world and the developing countries must work together with a shared vision of the future. All the issues relating to economic development needed to be looked at together in a single forum designed for that purpose, in order to establish a much-needed comprehensive system for the eradication of poverty.

30. In the midst of a phenomenal industrial revolution and over 50 years after the adoption of the Universal Declaration of Human Rights, it was unacceptable for some countries to fail to live up to

their commitment to reduce poverty. He hoped that other donor countries would increase their official development assistance as the Nordic countries had done, and he thanked the Nordic countries for the solidarity they had shown towards developing countries. Current official development assistance levels were lower than they had been for many years. The international community could not claim to be making serious efforts to eradicate poverty while financial flows to most developing countries became scarcer every day. It was impossible to combat poverty without dealing comprehensively with the issue of technology transfer, and without revising trade-related aspects of intellectual property practices that restricted the capacity of developing countries to benefit from technological progress.

31. Poverty was directly linked to the international economic order resulting from globalization. There was an inherent imbalance in the system governing international economic relations, particularly in the inability of the developing countries to participate effectively in high-level decision-making structures. The international economic order was insensitive to the situation of poverty-stricken countries. Consequently, it would be inappropriate to insist only on domestic reforms in developing countries to deal with economic issues in a more effective manner, without addressing the imbalances that remained in the international economic order. In Egypt's view, it was essential for the United Nations to pay special attention to the poverty-related problems facing the least developed countries, particularly African countries, which found it impossible to improve living conditions owing to foreign debt, a shortage of resources allocated to official development assistance, the collapse in commodity prices and infrastructure deficiencies.

32. **The Chairman** said that that concluded the general debate on agenda item 103.

The meeting rose at 4.30 p.m.

United Nations A/C.2/56/SR.13

General Assembly
Fifty-sixth session

Official Records

Distr.: General
3 December 2001
English
Original: French

Second Committee

Summary record of the 13th meeting
Held at Headquarters, New York, on Monday, 22 October 2001, at 10 a.m.

Chairman: Mr. Djumala (Vice-Chairman) ..... (Indonesia)

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(f) Protection of global climate for present and future generations of mankind

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01-59437 (E)

In the absence of Mr. Seixas da Costa (Portugal), Mr. Djumala (Indonesia), Vice-Chairman, took the Chair.

The meeting was called to order at 10.15 a.m.

Statement by the Secretary-General of UNCTAD

1. **Mr. Ricupero** (Secretary-General of UNCTAD) said that he wished to address not only the impact of the current economic slowdown on developing countries, but also the links between the new international situation and development prospects.

2. It was important to distinguish between the economic slowdown and the disruptions that had taken place internationally since the 11 September attack, which, while connected, were two different phenomena. The economic slowdown had already begun before the terrorist attacks, which had simply aggravated the situation. The economic slowdown was the most pronounced in 30 years. Whereas previous crises had affected only certain industrial countries, the current one was a major, simultaneous and universal slowdown.

3. The unprecedented brutality of the attacks of 11 September had elicited energetic responses in most industrial countries. In the economic sphere, the massive injection of liquidity into the system had helped save the core and restore confidence. In a coordinated or simultaneous effort, the central banks of more than 14 countries had lowered their interest rates. The United States had lost no time in releasing funds to assist those industries most severely affected. In view of the efficacy of those interventions, it was likely that the economic recovery would be more rapid and that it would be sound. Clearly, it was difficult to say when it would take place but, since the response of the United States and other major industrial countries had averted a catastrophe, namely the collapse of the international financial system, the situation in the medium term was not a great source of concern.

4. Developing countries, however, were also victims of the events of 11 September, and one of the lessons to be learned was the need to mobilize the international community to act with the same energy and rapidity in favour of development. In the aftermath of the 11 September attacks, the imbalance between advanced and developing countries was flagrant. The latter rarely had the necessary budgetary resources to assist their industries. Many countries had little leeway if they were to keep the commitments made to the International Monetary Fund (IMF). Those in charge of the international organizations concerned, in particular IMF and the World Bank, being aware of the existing dangers and the need to act quickly, must therefore make use of all available financial mechanisms to come to those countries' assistance. Unfortunately, owing to the complexity of the rules governing the various facilities and compensatory systems, developing countries lacked the wherewithal to resort to the strategy adopted by the United States.

5. Developing countries faced specific problems to which special attention needed to be paid at the current juncture if the painful impact of the recent events on developing countries and on development prospects was to be attenuated. The international community was liable to shift its attention away from countries that were not at the centre of the current crisis and presented no danger to the system. Events had shown that policy prevailed over economics and that the initiative of Governments was decisive. Indeed, dire consequences had been avoided not through market forces but through the injection of liquidity, which amounted to a policy decision. Yet the least advanced countries must not be forgotten, and priorities must not cease to be priorities because of the new urgencies. The best way to avoid those pitfalls was to debate the question in public.

6. The current situation afforded the international community a number of opportunities for action worth considering. The first one was the International Conference on Financing for Development. The second was the Fourth Ministerial Conference of the World Trade Organization to held in Doha, Qatar, in November 2001. It would provide the opportunity to show that the negotiations would include development issues. Yet, knowing that the multilateral trading system had interests that were at variance with those of development, it would be unrealistic to believe that during the new round of negotiations those interests would be set aside in favour of development. He hoped, however, that development would be among the major issues addressed in the negotiations.

7. While there had been considerable progress in the positions expressed so far in speeches, negotiators continued to follow the same approach and their acts did not reflect their words. Since 1994, no least developed country had successfully negotiated its

accession to WTO, although that could have been done had the rules been more flexible. There was considerable resistance to the objectives of liberalizing the agriculture, textiles and other sensitive sectors and to according identical treatment to subsidies on both agricultural and industrial exports. Efforts should therefore be redoubled in order to ensure that hopes were not dashed at the Doha Conference.

8. However, the trade negotiations should not be expected to resolve all the outstanding issues; at best, they could offer new opportunities which developing countries could only seize if they had the requisite capacities, which they still did not have. Clearly, the future of developing countries did not depend solely on trade negotiations.

9. In view of the political realignment that was currently taking place in the world, there was no telling what the world would look like in two years; however, the major changes that had occurred had created the most propitious conditions in 50 years. The main lesson to be learned from the tragic events of 11 September was that the world was made up of interdependent countries and that no country could achieve peace, security and prosperity on its own. The problems of human security — personal, food and economic security — could not be resolved without solidarity. International cooperation and the capacity of governments to take action must be strengthened. While the current climate gave no cause to rejoice, it offered unprecedented prospects which should be seized.

Agenda item 98: Environment and sustainable development

(f) Protection of global climate for present and future generations of mankind (A/56/385)

10. **Mr. Cutajar** (Executive Secretary, United Nations Framework Convention on Climate Change) said that the upcoming session of the Conference of the Parties to the United Nations Framework Convention on Climate Change in Marrakesh, Morocco, would show the importance of maintaining multilateral cooperation. In that regard, he paid tribute to the Moroccan Government for its decision to go ahead with the Conference despite the unsettled international environment. The Conference would provide an opportunity not only to advance the strategy relating to the implementation of the Kyoto Protocol by building on the progress achieved in Bonn, but also to focus on the African dimension of climate change, since Africa remained the continent most beset by poverty and the one most vulnerable to climate change.

11. The agreement reached in Bonn represented a significant political breakthrough because it helped to overcome the obstacles to the negotiations on the Kyoto Protocol and to implement the measures provided for under the Framework Convention itself, especially in the area of finance and technology, in order to support the efforts of developing countries. The main task of the Conference of the Parties would be to reach agreement on issues relating to the Kyoto Protocol, make proposals designed to get many more industrialized countries to ratify it so that it could enter into force possibly in time for the World Summit on Sustainable Development to be held in Johannesburg.

12. There was no doubt that the United States withdrawal from the Kyoto Protocol negotiations had worked to the detriment of the agreement reached in Bonn, and the situation was not likely to change at the Marrakesh Conference. Consequently, developments with regard to the climate strategy outlined in the Protocol would depend directly on the political will of other industrialized countries, which were not countries in transition, to determine the extent to which they would translate their commitments under the Protocol into actual reductions in their greenhouse gas emissions, as well as on the efficacy of their own development mechanisms. In the absence of demand from the main potential actor, the market for negotiable emission rights created by the Kyoto Protocol was also dependent on that political will. The Conference of the Parties should try to find a way to ensure that, after the Marrakesh Conference, priority was again given to encouraging all parties, particularly the United States, to participate in a truly effective global strategy.

13. He also wished to stress the importance of the synergy between the three Rio Conventions, namely, the Convention on Biological Diversity, the Convention to Combat Desertification and the Framework Convention on Climate Change. Three "horizontal" initiatives followed from that synergy: firstly, the possibility of creating a joint group to provide liaison between the three conventions which would include the secretariat as well as the Bureaux, in order to ensure that the three political processes were managed in an integrated fashion; secondly, the efforts made by the three secretariats, with the help of the

Global Environment Facility and the United Nations Institute for Training and Research, to strengthen cooperation between the national liaison bodies of the three conventions, especially with regard to the assessment of capacity-building requirements; and thirdly, the decision of the Intergovernmental Panel on Climate Change to prepare a technical report on the scientific linkages between the three fields covered by those conventions.

14. The issue raised in document A/56/385 was an administrative one: the institutional linkage between the Convention secretariat and the United Nations, bearing in mind the necessary autonomy of the secretariat, given its geographical location (Bonn), and the responsibility of the Executive Secretary vis-à-vis the Secretary-General and the Conference of the Parties. That arrangement was working quite well because it provided administrative and operational linkage and enabled the secretariat to be kept abreast of the General Assembly debates on sustainable development. That was why the Executive Secretary, as well as the Secretary-General, recommended that the General Assembly should approve the continuation of the current arrangement for a further five-year period.

Agenda item 103: Implementation of the first United Nations Decade for the Eradication of Poverty (1997-2006) (A/C.2/56/L.5)

15. **Mr. Tootoonchian** (Islamic Republic of Iran) introducing, on behalf of the Group of 77 and China, the draft resolution on implementation of the first United Nations Decade for the Eradication of Poverty, said that, in a world in which scientific and technological progress was paramount, poverty remained a serious problem for mankind. In the view of the Group of 77 and China, poverty constituted the most widespread violation of human rights and of the right to development. They therefore felt that the struggle against the scourge of poverty should be a priority objective of national strategies and of international cooperation. Consequently, the draft resolution that was before the Committee provided for a number of specific measures to accelerate world economic growth and social development. In addition to the efforts of developing countries, the assistance and cooperation of the international community, including the mobilization of resources and the creation of a favourable environment, were essential to the strengthening of economic growth. The draft resolution underscored the importance of international trade and of reform of the international financial system, as well as the need for developed countries to meet all their commitments, especially with regard to the debt-relief initiative. The draft resolution also provided for the creation of a world solidarity fund for poverty eradication, bearing in mind the need to make up for the shortfall of resources allocated to anti-poverty programmes and the quite favourable response of the international community to that idea. In conclusion, he invited the Committee to adopt the draft resolution by consensus.

The meeting rose at 11.15 a.m.

United Nations A/C.2/56/SR.14

General Assembly
Fifty-sixth session
Official Records

Distr.: General
8 December 2001
English
Original: French

Second Committee

Summary record of the 14th meeting
Held at Headquarters, New York, on Thursday, 25 October 2001, at 10 a.m.

Chairman: Mr. da Costa ..... (Portugal)
later: Mr. Barnwell (Vice-Chairman) ..... (Guyana)

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01-60244 (E)

The meeting was called to order at 10.15 a.m.

Organization of work

1. **The Chairman** suggested that, rather than taking up agenda item 106 (Third United Nations Conference on the Least Developed Countries) at the end of the current month, the Committee should postpone its consideration of the agenda item to a later date because a ministerial meeting of the least developed countries had been planned for that same period.

2. *It was so decided.*

Agenda item 99: Operational activities for development

(a) Triennial policy review of operational activities for development of the United Nations system (A/56/70-E/2001/58, A/56/70/Add.1-E/2001/58/Add.1, A/56/70/Add.2-E/2001/58/Add.2, A/56/174, A/56/320 and Add.1)

(b) Economic and technical cooperation among developing countries (A/56/39, A/56/134 and Add.1, A/56/465)

3. **Mr. Civili** (Assistant Secretary-General for Policy Coordination and Inter-Agency Affairs), introducing the agenda item, said that the current triennial comprehensive policy review was taking place at a critical juncture in development cooperation and should be the occasion for a thorough stock-taking of implementation of the guidance provided by the General Assembly in its resolution 53/192, relating to a full examination of the basic factors which had affected that process. It should also provide an opportunity for the international community to reflect on the challenges which development cooperation would face in coming years, in the light of the impact of the events of 11 September 2001, in particular with regard to world growth and resources for development.

4. The report of the Secretary-General on the triennial comprehensive review (A/56/320) contained 20 general policy recommendations which were the result of a wide-ranging assessment of operational activities and also took full account of the views expressed by Member States at the July 2001 session of the Economic and Social Council. They covered a number of issues, including both traditional themes relating to field-level coordination and newer questions on the role of the system in assisting developing countries to seize the opportunities and meet the difficult challenges arising from globalization. They also dealt with such fundamental concerns as resources for operational activities, national ownership and capacity-building.

5. The report made a number of proposals for strengthening the coordination of activities at the country level, with special emphasis on evaluation of the United Nations Development Assistance Frameworks (UNDAFs) and common country assessments (CCAs). In the area of field-level coordination, the theme of simplification and harmonization of procedures deserved special attention. There were heightened concerns about the transaction costs for recipient countries generated by the United Nations system's operational activities, especially as the trend in resources for operational activities continued to be worrisome, in spite of the efforts of several donor agencies. Renewed efforts were also required to make progress in the area of common premises and shared services, decentralization and improvement of the resident coordinator system.

6. An innovative aspect of the 2001 report was its emphasis on the implications for United Nations development assistance of the challenges that developing countries faced in a continuously changing global environment.

7. Questions that needed to be addressed in that regard were whether the system provided recipient countries with the assistance that the new challenges demanded; how the system could best use the skills and potential available to it for building the capacity of programme countries; and the implications of that new context for the oversight that the United Nations intergovernmental bodies were called upon to exercise over operational activities. Moreover, the means of mobilizing the requisite resources should also be considered. The Economic and Social Council could play a useful role in that regard by insuring that the United Nations system optimized its response to the complex demands generated by the new international environment. The report also considered ways in which the Council could best play its mandated role to coordinate and guide operational activities for development. Renewed attention should be given to modalities that could better exploit the Council's comparative advantage as a unique forum where all partners came together to discuss issues related to

development cooperation in its broadest sense. There was also scope for looking at modalities for strengthening the Council's capacity to carry out in-depth evaluations of the impact of international assistance.

8. In order to meet the complex challenges facing the international community, institution-based oversight mechanisms remained essential; they must be accompanied by overall policy guidance. The report under review reiterated the concern regarding the situation of resources for operational activities for development. In that regard, he hoped that the triennial policy review would help promote consensus on the financing of United Nations activities for development cooperation.

9. At its substantive session of 2001, the Economic and Social Council had repeatedly stressed the need to increase coordination of operational activities of the United Nations and to ensure full national ownership of development cooperation programmes. External assistance should not generate separate development structures or initiatives; instead, it should be fully integrated into national endeavours under the leadership and monitoring of national authorities, since it was the governments of recipient countries that had the ultimate responsibility for national development. That basic guideline required the United Nations system to develop new action strategies that took into account the interdependence between global and national dimensions, the central objective being to maximize responsiveness to national priorities.

10. The development assistance provided by the United Nations system should aim at a much closer integration with national development policies and programmes under the leadership and with the full participation of the government. In that regard, a key objective underlying the recommendations on the further strengthening of the modalities and mechanisms introduced in the course of past reforms was to gear them to maximize their contribution as instruments not only of internal coordination but also of integration into national processes. More broadly, the aim was to refocus efforts on concrete achievements in development terms, capacity-building and national ownership.

11. *Mr. Barnwell (Guyana), Vice-Chairman, took the Chair.*

12. **Ms. Ba-N'Daw** (Director, Special Unit for Technical Cooperation among Developing Countries), introducing the two reports on South-South Cooperation (A/56/39 and A/56/465), said that the two documents made a strong case for South-South cooperation as a strategy to make globalization more inclusive. The report of the High-Level Committee on the Review of Technical Cooperation Among Developing Countries analysed progress achieved in that area and stressed the growing importance of TCDC in emerging partnerships, alliances and networking arrangements where Governments, organizations and individuals were working together to eradicate poverty and improve peoples' living conditions.

13. Aware of the current importance of knowledge, the High-Level Committee stressed, at its twelfth session, the role of South-South cooperation in science and technology for development and expressed the view that finding scientific solutions to development challenges contributed to the prosperity of the developing world. The scope of technical cooperation among developing countries, which had previously been limited to regional exchanges, now included inter-regional interactions, for example between Africa and Asia or Africa and Latin America. TCDC activities could make a big difference in people's lives if they were focused on strategic areas such as human resources development. In practical terms, TCDC made visible contributions to development goals through new South-South partnerships. Middle-income countries assumed a lead role in that area. They played a coordinating role by opening their training institutions and other facilities to partners from other parts of the developing world.

14. South-South cooperation had become a more inclusive process that was attractive to development partners from the North. Various developed countries had thus supported capacity-building initiatives, institutional development and networks in the South through triangular arrangements, especially in the area of research and development. The United Nations system supported TCDC by backing capacity-building through the coordination of institutions and centres of excellence in the South, making it possible for such centres to share experience and conduct joint research. The United Nations Development Programme had moved beyond its role as the main source of funding for TCDC to become a South-South knowledge broker.

15. The report on the state of South-South cooperation (A/56/465) revealed a number of encouraging patterns in trade, investment and the monetary and financial spheres. However, though trade among developing countries had grown considerably, the erratic nature of global financial flows had resulted in irregular patterns of trade between and within regions. The international community, therefore, needed to work more to improve the global financial architecture.

16. There was a growing impetus towards regional economic integration, which created large trading zones attractive to investors, as in Asia, the region that was also the leader in generating South-South investment flows. South-South economic cooperation continued to be a framework for finding solutions to common problems. Recent financial crises had thus generated interest in monetary and financial cooperation among developing countries at the regional and subregional levels.

17. One major issue highlighted by the report under discussion was the practice among developing countries of formulating declarations of intent and impressive plans of action that lacked effective implementation mechanisms.

18. The Special Unit for Technical Cooperation among Developing Countries, despite its very limited human and financial resources, was committed to working more closely with all Member States and with its United Nations sister organizations in promoting South-South cooperation in the twenty-first century. It was hoped that the Second Committee would provide guidance and be a source of inspiration.

19. **Ms. Heyzer** (Executive Director of the United Nations Development Fund for Women (UNIFEM)) said that the world community, despite its acknowledgement that gender equality was a prerequisite for development and peace, too often failed to act on that basis, and thus disasters were created. There was awareness, for example, that women were more vulnerable to HIV/AIDS, but no action had been taken on the basis of that knowledge. Infection rates among women and girls were far higher than those for men. It was known that war, armed conflict and displacement affected women and girls differently. Yet refugee camps not incorporating the safety and health measures that would protect them from psychological trauma and economic hardship continued to be set up. It was also known that the way a country treated women and promoted their human rights was one of the best indicators of its respect for international norms. Yet the requisite measures to put an end to massive violations of those rights were not being taken.

20. It was not enough to set standards to promote women's fundamental rights; it was essential also to ensure their prompt translation into practice. For that purpose, the tools for monitoring compliance with the standards set must be strengthened. More than 120 countries had developed national plans of action for the advancement of women, and more than 165 had signed the Convention on the Elimination of All Forms of Discrimination against Women. Yet laws discriminating against women proliferated and violence against women seemed to be on the rise in all spheres. Innovative tools of accountability were being developed and should be available to all. In that connection, mention should be made of gender budgeting, which involved the analysis of Government expenditure and revenue relating to women as compared with men. Gender budget analysis helped Governments decide where resources needed to be reallocated to achieve gender equality and made it possible to link commitments made in respect of instruments such as the Beijing Platform for Action to the distribution and use of public resources. Such analysis was rooted in country-based experience. It was a goal of UNIFEM that all countries should undertake gender-sensitive budget analysis by 2015.

21. There was a need for strengthened commitments to implementation. A growing number of common country assessments (CCAs) and United Nations Development Assistance Frameworks (UNDAFs) reflected a commitment to gender equality.

22. The increasing number of agreements formalized by UNIFEM with its United Nations partners was a good example of the United Nations coordination effort and commitment in the area of gender equality. Its partnerships with the United Nations Development Programme and the United Nations Population Fund were expanding. Its cooperation with the Joint United Nations Programme on HIV/AIDS was also a good example of the use of UNIFEM expertise to infuse gender concepts into the operational activities of all partners.

23. The Millennium development goals had highlighted specific commitments having the potential to improve the lives of millions of people. Like human rights, however, those goals were indivisible, particularly for women and girls. Gender equality could not be achieved unless feminized poverty was reduced. Parity in school enrolment was unattainable without a reduction in the incidence of HIV/AIDS, since it was girls who were removed from school to care for family members who were ill. Mainstreaming gender into each of those goals was linked to the ability to achieve all of them.

24. An important facet of the promotion of gender equality was the elimination of cultural and behavioural obstacles to United Nations collaboration with Governments and women's organizations and to the implementation of agreed norms and standards. That was perhaps nowhere more evident than in the work on ending violence against women. At both the local and national levels, however, the strategies implemented by the United Nations were beginning to make a difference. It was essential, therefore, to continue the efforts to eliminate those obstacles and to reduce gender-based violence. Those were the key priorities which UNIFEM had set for its future work, with a view to ending the multiple forms of violence that women confronted daily, despite the many agreements condemning the phenomenon.

25. **Mr. Asadi** (Islamic Republic of Iran), speaking on behalf of the Group of 77 and China, thanked the Secretary-General for the quality of the reports submitted under the agenda item. Due to their universal, neutral, multilateral and grant character, the operational activities of the United Nations system had always been very close to the heart of developing countries, who viewed them as the concrete manifestation of the real mission of the United Nations in the field of development.

26. However, the context within which United Nations development cooperation had been operating had changed substantially during the last decade. While the ongoing globalization process offered new opportunities, it also posed serious challenges, particularly for developing countries. Thus, there had been a significant increase in income inequalities within and among rich and the poor countries, official development assistance and multilateral development cooperation had been either stagnant or in decline despite the fiscal health of many donor countries, and bilateral mechanisms were increasingly being substituted for ODA. During the same period, thanks to a series of major United Nations conferences, a global consensus had emerged on a variety of development objectives together with timetables for their implementation. It was regrettable that a global consensus had not emerged on the mobilization of the financial resources required for such action and, under pressure from the current new trends, which had also transformed the needs of developing countries struggling with globalization, it was more difficult for the funds and programmes, themselves facing declining resources, to respond more effectively to the economic and social impact of globalization, promote the development of the poorer countries and assist them to better integrate into the global economy.

27. The Group of 77 and China believed that poverty eradication should continue to be the major pillar of operational activities of the United Nations system, which could play a major role, especially through supporting capacity-building. However, the United Nations seemed to be hampered by declining financial resources at both the multilateral and national levels. Therefore, adequate international assistance, both financial and technical, as well as a stable international financial system should be ensured. Moreover, developing countries should be assisted in mobilizing more resources through various measures including access to developed country markets, debt relief and increased private capital flows, particularly foreign direct investment. At the national level, higher economic growth rates and a climate that was more conducive to the mobilization of local resources should be promoted. Moreover, country ownership of the programmes and projects should be ensured. To that end, and with a view to playing a central role in the formulation of their overall national development strategy, programme countries should be involved in all phases of designing, implementing, monitoring and evaluating development programmes and projects.

28. In that regard, it was essential to ensure that funding for United Nations operational activities for development, in particular regular and core resources, was sufficient, secure, stable and on a more predictable basis if the increasing needs of developing countries were to be effectively addressed. Core and regular resources constituted the bedrock of the operational activities of the United Nations system; they allowed the funds and programmes to follow the development

targets agreed multilaterally. However, ODA had been declining steadily during the 1990s, while earmarked and non-core funding had grown. The Group of 77 and China found that situation extremely disquieting due, in particular, to the fact, as the Secretary-General had noted, that the impact of aid could not be separated from the availability of core or regular resources. Moreover, the allocation of more resources to short-term emergency activities to the detriment of long-term activities was yet another trend that had an adverse impact on the development of countries in crisis. Progress towards the establishment of multi-year funding frameworks had raised expectations that contributions to the core resources would increase; however, there had not been any major changes in the resource situation of the United Nations operational activities for development. Therefore, a strong political commitment to the common development objectives set at the major conferences and by the Millennium Summit would be needed in order to address the shortage of core resources.

29. In the area of operational activities for development, the United Nations system had set itself the objectives of achieving greater coherence and coordination in its interventions by ensuring that they were country-driven and were in line with national development priorities. The Group of 77 and China wished to stress the need for national authorities to coordinate all external assistance and development activities and to be fully involved in all phases of the preparation of the common country assessment and the United Nations Development Assistance Framework, thus enhancing the collective identity of the country teams and national ownership of the processes and ensuring that programme countries would not be penalized through excessive transaction costs.

30. Turning to the involvement of the United Nations system in humanitarian assistance, including natural disasters and post-crisis situations, which had expanded during the past decade and were likely to pose a serious challenge to the international community in the future, he said that the United Nations funds and programmes should assist recipient countries according to their national economic and social needs, including for poverty eradication, humanitarian assistance, the promotion of human rights, particularly the right to development, with a view to achieving sustained economic growth and sustainable development in accordance with relevant General Assembly resolutions and the outcomes of the major conferences as well as the Millennium Declaration. It should be recalled, however, that the phases of relief, rehabilitation, reconstruction and development were generally not consecutive; rather, they often overlapped and occurred simultaneously. Therefore, there was a need for an early application of development tools in humanitarian emergencies. National authorities and institutions should have a lead role in that regard.

31. At the current critical juncture in the rapidly changing world economic situation, there was clear recognition of the need for economic and technical cooperation among all countries, especially developing countries, with a view to creating a more equitable international economic system that would ensure a better future for humanity. International cooperation for development had been steadily relegated to a lower priority on the agenda of the international community, a situation that needed to be redressed on an urgent basis. There was a need for a new global human order aimed at reversing the trend of growing disparities between rich and poor, based on the principles of shared benefits and common but differentiated responsibilities. That international effort needed to be complemented with South-South cooperation, which, as emphasized by the South Summit, held in Havana in 2000, constituted an effective instrument for optimizing the potential of developing countries through the mobilization and sharing of existing resources and expertise and thus promoting growth and achieving self-reliance in and among developing countries. The Secretary-General, in his report, had reviewed South-South cooperation in the areas of trade, investment and monetary and financial arrangements. Trade among developing countries had been growing in recent years, especially at the intraregional level, due to notable changes in various regional agreements. Despite the establishment of the World Trade Organization, all countries seemed to consider that regional trade agreements were still a better means of overcoming barriers to trade than multilateral agreements. Progress in regional integration had also contributed to the growth of foreign direct investment among developing countries. Market proximity, similarity of products and processes and business culture affinities encouraged those countries to invest in their own region. South-South monetary and financial cooperation had also gained momentum since the 1997 Asian crisis.

32. The Havana Summit had been an important milestone in a long process which had begun in 1981 with the Caracas Programme of Action and whose most recent manifestation was the Tehran Consensus, adopted by the Intergovernmental Follow-up and Coordination Committee at its Tenth Meeting, held in August 2001. The high-level representatives at that Meeting had set themselves five strategic objectives: consolidation of the South-South platform; building stronger South institutions at the global level; bridging the knowledge and information gap; building broad-based partnerships; and mobilizing global support for South-South cooperation. The Tehran Consensus had urged the international community, including the United Nations system, to provide vigorous support, including the requisite financial resources, to South-South cooperation. It had also proposed launching an international decade of South-South cooperation and a United Nations day for South-South cooperation.

33. While South-South cooperation had increased, it was not commensurate with existing capacities or with the commitments undertaken in earlier documents. The countries of the South must exert themselves more, both individually and collectively. However, as clearly pointed out in the Tehran Consensus, the assistance of the international community was indispensable, especially in the financial and technical areas, if the increasing gap between developed and developing countries was to be narrowed. South-South cooperation could not replace North-South cooperation; instead, the two must be mutually supportive. Nor should technical cooperation among developing countries be seen as a panacea for those countries, but rather as one of the important elements for a comprehensive development strategy.

34. Regarding the optimization of South-South cooperation, the High-level Committee on the Review of Technical Cooperation among Developing Countries had reaffirmed at its twelfth session the continued relevance of the Buenos Aires Plan of Action for Promoting and Implementing Technical Cooperation among Developing Countries. In that connection, the Group of 77 and China appreciated the support provided by the United Nations Development Programme, through the establishment of the Special Unit for Technical Cooperation among Developing Countries, for facilitating the attainment of the objectives of the Buenos Aires Plan of Action. The separate identity of the Special Unit must be maintained and its programme should be adequately funded at a level commensurate with its mandate. It was also important for the Unit to cooperate closely with the United Nations Conference on Trade and Development. The use of the modality of technical cooperation among developing countries should be mainstreamed in the operational activities for development conducted by the United Nations system so as to strengthen further the capacity of the Special Unit to perform its functions.

35. The Group of 77 and China noted with satisfaction the emerging new initiatives for participation of developed countries in that process, such as triangular arrangements that helped developing countries to overcome scarcity of resources in the implementation of South-South cooperation programmes. It was to be hoped that the Special Unit could promote broad-based partnerships capable of mobilizing additional financial resources. He urged the Special Unit to assist developing countries to adopt and pursue well-articulated national policies on technical cooperation among developing countries and called upon all Governments, United Nations agencies and institutions and multilateral and regional financial institutions to increase the allocation of financial resources and identify new funding modalities to foster South-South cooperation. No development could take place without cooperation within the South and between the South and the North.

36. **Mr. de Ruyt** (Belgium) said that he was speaking on behalf of the European Union, the countries of Central and Eastern Europe associated with the European Union, Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, and Slovenia and the associated countries Cyprus, Malta and Turkey.

37. The European Union thanked the Secretary-General for the various reports submitted under agenda item 99. For the European Union, the triennial review of operational activities for development of the United Nations system came at a strategic moment, as it would enable the Committee to formulate a resolution that would help make them a more effective, efficient and accountable instrument. It was particularly fortunate that the review was taking place midway between the Millennium Summit and the International Conference on Financing for Development in Monterrey. The Millennium Declaration and the major conferences of the previous decade had set an ambitious development

agenda; the bodies of the United Nations system, each according to its mandate, individual identity and above all its comparative advantage, must now assist Governments in implementing that agenda. How the funds and programmes and the specialized agencies would help the programme countries to achieve those goals would remain of primary importance to the European Union in the years to come.

38. The European Union was convinced that the multilateral system had an irreplaceable role to play in implementing that common agenda. In that multilateral system, the United Nations funds and programmes and the specialized agencies were particularly well-placed: their neutrality and access to global expertise and their dedicated and highly qualified teams made them a more powerful instrument for implementing that agenda than their share of the total multilateral aid budget might suggest. For that reason, the European Union wished to be a major partner of the United Nations bodies; it was by far the largest donor to the operational agencies.

39. The European Union welcomed the progress made since the last triennial review, particularly with regard to coordination between the United Nations operational agencies, strengthening of the resident coordinator system and relations with the Bretton Woods institutions. It welcomed in that context the role of the Office of the United Nations Development Group. Despite that undeniable progress, however, the United Nations system had not yet realized its full potential. Therefore, the European Union hoped that the triennial review would provide an opportunity to reflect further on the measures needed to maximize the results of operational programmes.

40. With regard to the United Nations Development Assistance Frameworks (UNDAFs), the discussion during the operational activities segment of the Economic and Social Council in July 2001 had shown that Member States had questions about the exact nature of the various programming frameworks, their proliferation and the ensuing transaction costs, the level of ownership by programme countries and the precise link between the programming frameworks of the United Nations and the World Bank. There had been general agreement on the concepts involved in the various instruments and their relationship with development policies of the programme countries. The European Union wished to repeat clearly that the starting point for any allocation of resources must be the national development plan, on the understanding that Governments must take full responsibility for framing their strategies for the achievement of international development goals. In developing countries, particularly the poorest, the national development plan would, in practice, take the form of a poverty reduction strategy paper. Inasmuch as they reflected a national, concerted strategy, realistic goals, quantified indicators, specific measures with figures for their budgetary implications, and a system for monitoring the impact of development programmes on poverty, those strategy papers would be a reference point for the European Union in its development programming, especially for African, Caribbean and Pacific States. It welcomed the interest shown by the World Bank and the International Monetary Fund in enhanced cooperation with other interested parties and invited the United Nations operational organizations to follow their example.

41. The United Nations Development Assistance Frameworks thus did not in any way replace national development plans, but should be based on them; UNDAFs should, in practice, represent the concerted response of the funds and programmes and of all specialized agencies at the national level, on the understanding that a coordinated response would have a much bigger impact on the ground than isolated interventions by the funds and programmes. UNDAFs could also contribute to a more active commitment by the United Nations operational agencies to sectoral approaches, both on a political and a technical level. The European Union was therefore certain that the triennial review would be able to go beyond the current initial phase in the preparation of the frameworks and that all operational agencies would become involved in their elaboration.

42. In order to be credible, however, national development plans must be based on a comprehensive analysis of the situation, based on the facts and drawn up in a participatory manner. With the introduction of the common country Assessment (CCA), the United Nations system had acquired an instrument which made it possible to assist Governments in making such an analysis and tying it in with the international development goals defined by the Millennium Declaration and the major conferences. The elaboration of a common country assessment called for an efficient resident coordinator system and a more intense dialogue between the United Nations system,

Governments, parliaments and organizations of civil society.

43. While recognizing that it was for the governments of programme countries to take the initiative for coordination and planning, the European Union wished to reaffirm its willingness to contribute to those processes by actively participating in the consultations between donors and governments and by providing financial support for technical assistance and capacity-building projects in the areas of planning and coordination.

44. For some 10 years, the General Assembly and the Economic and Social Council had been highlighting the problem of the lack of harmonization of the procedures of United Nations operational organizations. In the debate of the Economic and Social Council in July, many delegations had singled out the high transaction costs of the aid provided by United Nations agencies, in particular as a result of their differing programming procedures and financial policies, which caused country teams to abandon the setting-up of joint programmes. The European Union would therefore like to give top priority to the subject of harmonization of procedures during the triennial review. Contrary to previous resolutions, the review should define an agenda for the harmonization process by identifying the procedures that needed to be harmonized, clearly establishing responsibilities for implementation and follow-up, and defining a precise calendar for achieving that aim. Among the procedures that could be harmonized as a matter of priority, the European Union was thinking specifically of the devolution and delegation of decision-making powers, financial regulations, procedures for implementing projects, the pooling of services in country offices, and the payment of national project personnel. To that end, the funds and programmes and their respective governing bodies with the assistance of the United Nations Development Group Office should submit their agenda for the harmonization process to the Economic and Social Council no later than 2002 and the United Nations should also become involved in the discussions on the harmonization of procedures that was taking place in the Development Assistance Committee between bilateral donors and the multilateral development banks.

45. The European Union was also following with great interest the introduction of results-based management, which was one of the key elements of the multi-year funding frameworks, whose aim was to contribute to a better targeting of activities, a clearer division of tasks between organizations, a greater impact of operational programmes and better justification of the resources required for those programmes. The European Union was fully in agreement with the Secretary-General when he noted that it was still too early to verify the results of the funding frameworks. It remained confident that the effort would bear fruit, given the better quality of the annual reports of the organizations and the slight increase in the regular resources of the funds and programmes.

46. With regard to financial contributions, the European Union wished to reiterate its basic position on the General Assembly pledging conference. Since the funds and programmes had introduced a multi-year funding framework approach, that practice should be terminated. Accordingly, the European Union would not take part in that year's conference.

47. The European Union was of the view that monitoring and evaluation systems were a vital component of results-based management. The Secretary-General's report on the subject noted a number of weaknesses, in particular shortcomings in the monitoring of projects by country offices and headquarters and major difficulties in learning from the lessons and recommendations of the evaluations, since the institutional memory of United Nations organizations was poor in the field. The European Union therefore considered that the triennial review should emphasize the need to improve monitoring and evaluation systems, in particular by studying how to pool the results of evaluations and the most effective lessons and operating modalities of the various United Nations agencies and how to ensure better distribution in country offices, while not forgetting the lessons and practices from country evaluations and United Nations framework plans for development assistance, as well as how to undertake joint mid-term reviews.

48. The European Union had therefore set as priorities for the triennial review a tangible link between United Nations operational activities and the follow-up to the Millennium Declaration, greater synergy between funds and programmes and between framework plans for development assistance and national plans, measurable progress in the harmonization and simplification of procedures, results-based programming and more effective

monitoring and evaluation systems. It was willing to discuss ways of ensuring the best intergovernmental follow-up of operational activities, to examine ways of reinvigorating the operational segment of the Economic and Social Council, and to contribute to the debates of the Second Committee on those matters.

49. **Mr. Osei-Danquah** (Ghana) said that he associated himself with the statement made by the representative of the Islamic Republic of Iran on behalf of the Group of 77 and China. It was important to reaffirm the role of United Nations operational activities, particularly in assisting developing countries to achieve the goals of the Millennium Declaration and to meet the challenges of globalization, which in the case of Africa meant supporting the New African Initiative. The Declaration and the Initiative both responded to the necessity for comprehensive and interlinked actions at both national and international levels. A vacuum had been created in terms of either capacity-building or funding in certain vital areas. It was important to ensure that the holistic aspect of operational activities was maintained and further to strengthen the guidance role of the Economic and Social Council.

50. The countries, however, had a primary role to play and the country programmes should therefore respond to their respective demands. It was necessary to intensify capacity-building initiatives in order to enable Governments to coordinate external aid effectively and at less cost. For many developing countries the common country assessment remained a valuable tool; however, both the common country assessment and the United Nations Development Assistance Framework should be used in a flexible manner and should be responsive to prevailing conditions. Since the resources available for operational activities for development were dwindling, every effort must be made to reduce costs and eliminate duplication of activities.

51. There was still room for further measures to simplify and harmonize operational and administrative procedures in order to ensure the efficiency and effectiveness of interventions, particularly with regard to the procedures for decentralization, financial management and country programming. His delegation was pleased to note that the Multi-Year Funding Frameworks and the Strategic Results Frameworks had contributed to sharpening the effectiveness and efficiency of programmes. Nevertheless, the volume of available resources was a determining factor. Moreover, the further improvement of United Nations operational activities would require a better delineation of the roles of executive boards and an improvement in the systems for submitting reports to the Economic and Social Council. Deepening partnerships with other multilateral bodies and expanding interactions with civil society and the private sector would also contribute to improving the effectiveness of United Nations operational activities.

52. **Mr. Dauth** (Australia) said that he welcomed the improvements made to the United Nations development system, particularly in terms of coherence, coordination and effectiveness in the field. However, United Nations development activities should be integrated more closely into national policies and programmes. The United Nations Development Assistance Framework was an indispensable tool to enable Governments to exercise more direct control over the programmes being carried out. It was also necessary to increase capacity at the national level in such areas as development planning and coordination and to enhance the capacity to take into account lessons learned across the United Nations system.

53. His delegation fully supported recommendations aimed at harmonizing existing coordination frameworks and improving collaboration between United Nations specialized agencies, the World Bank and other multilateral and regional institutions. The harmonization and simplification of systems between the various United Nations agencies, both in the field and at headquarters level, were also necessary, with a view to making cost savings and reducing burdens on programme countries, particularly small island developing States such as those in the South Pacific. The report of the Secretary-General called for increased core funding to sustain reforms. His delegation believed that core funding was dependent on improved results in the field. It was important to acknowledge that donors too faced funding constraints and competing priorities. Resources had to be targeted as effectively as possible in order to maximize development programme benefits and thus attract additional resources. It was also necessary to continue efforts towards broadening the traditional donor base.

54. He expressed concern over references in the English version of the report of the Secretary-General to the forthcoming conference on financing for development as a forum for gaining renewed consensus

and commitment on financing United Nations development cooperation. It was in fact a conference to explore the best ways of harnessing domestic and international financing for development, and not a conference on financing United Nations activities.

55. In conclusion, he said that the initiatives outlined in the report of the Secretary-General offered a constructive way of advancing the reform of the United Nations development system. Increased partner country ownership, enhanced coordination within the United Nations system and other development partners, and above all improved performance on the ground would be valuable indicators of the effectiveness of the United Nations over the forthcoming three-year period.

56. **Mr. Isakov** (Russian Federation) said that the work of the United Nations funds and programmes to implement General Assembly resolution 53/192 and to promote reform of operational activities was on the whole satisfactory. Over the last three years, there had been positive developments in the coordination of operational activities, both at Headquarters and in the field, and in the strengthening of the resident coordinator system. The United Nations Development Group had both intensified its work and expanded its membership. The use of instruments such as the common country assessment and United Nations Development Assistance Framework had contributed to more effective inter-agency coordination in the field, and had provided a closer link between programme activities of the operational agencies and national development plans and priorities. The new funding strategy, based on a system of multi-year planning and direct linkage between the volume of resources allocated to recipient countries and the effectiveness of their use of technical assistance, had begun to bear fruit. The decline in UNDP core resources had been reversed and the overall financial situation of UNICEF and UNFPA had improved. Notable progress had been made in reinforcing cooperation between the United Nations operational agencies, the World Bank and IMF. The Russian Federation was convinced that the strengthening of dialogue among those institutions and further work to enhance complementarity between CCA and UNDAF, on the one hand, and comprehensive development frameworks and poverty reduction strategy papers, on the other, could be extremely beneficial to the countries concerned.

57. In spite of such undeniable progress, reform of United Nations operational activities was far from complete. As far as his delegation was concerned, the most important thing was to continuously make adjustments according to the impact of the reforms. His Government supported the main conclusions of the report of the Secretary-General (A/56/320), which were aimed at improving the methodology of assessing the impact of operational activities and strengthen the role of Governments in the management and implementation of country programmes. His delegation shared the concern expressed in the report about the continuing difficulty in mobilizing core resources to finance operational activities. The executive boards of United Nations funds and programmes and the main bodies of the United Nations, primarily the General Assembly and the Economic and Social Council, should pay close attention to the problem. The resolution on the triennial policy review to be adopted at the current session, should outline specific steps to further raise the effectiveness of operational activities in the interest of recipient countries.

58. The Russian Federation attached great importance to the strengthening of technical and economic cooperation among developing countries (TCDC/ECDC) as an integral part of international cooperation for development. It commended the work of the Special Unit for TCDC and efforts to integrate TCDC into operational activities for development within regular budget appropriations for technical cooperation and supported the recommendations of the twelfth session of the High-level Committee on the Review of TCDC. The mechanisms for trilateral cooperation implemented within the framework TCDC with the participation of countries in transition were promising.

59. **Mr. Bishnoi** (India) said that his delegation associated itself with the statement made by the representative of Iran on behalf of the Group of 77 and China. The report of the Secretary-General stressed the need for coherence with national policies and programmes. However, the United Nations funds and programmes varied considerably in their response to the priorities of developing countries. UNDP, as the flagship for development activities within the United Nations system, ranked governance, poverty eradication, environmental protection, gender equality and special development situations among its priorities. Those priorities represented a donor-driven agenda which, regrettably, did not take the views of programme countries into account. While the

importance of good governance was undeniable, the advice of a donor might be construed as criticism of Governments, systems or cultures of the South. As regards the environment, India believed that the unsustainable patterns of production and consumption in industrialized countries were responsible for the current state of the environment; it was therefore not possible for his Government to recognize the validity of a framework which seemed increasingly to give greater priority to regulatory environmental regimes than to poverty eradication. With respect to the goal of poverty eradication, he said that UNDP seemed to assign as much of its resources to policy advice as it did to expanding the assets of the poor. He wondered whether it was legitimate for UNDP to offer advice, particularly since the distinction between advice and conditionality often became blurred. India supported micro-interventions for they provided replicable solutions and also had the potential to influence macroeconomic policies. Turning to special development situations, which represented a new area of UNDP concern, he said that India would not want to see already scarce resources for development diverted to areas such as peacekeeping and crisis and post-conflict situations.

60. The organizational priorities of the United Nations Children's Fund (UNICEF), including girls' education, immunization, combating human immunodeficiency virus/acquired immunodeficiency syndrome (HIV/AIDS) and protecting children from violence, were laudable goals; the projects were a blend of technical assistance, capacity-building, small-scale funding, support for basic services and advocacy and policy support. However, his delegation considered that the welfare of children could not be achieved through good governance alone; it was also necessary to give food to the hungry and medical assistance to the sick. Poverty eradication was an essential prerequisite for respect for human rights, not vice versa. His delegation also shared the priorities of the United Nations Population Fund (UNFPA), such as reproductive health, a balance between population dynamics and social and economic development, and women's empowerment, which it sought to promote through capacity-building and advocacy. He particularly applauded the Fund's efforts to find a balance between universal principles, national aspirations and cultural identities. On the other hand, the resources of the World Food Programme (WFP) were increasingly directed towards emergency assistance at the expense of development projects. While emergency assistance was of great value, it was important not to neglect to provide food aid to the poor so that they could take advantage of development opportunities. Furthermore, the Programme's recourse to directed multilateral funding detracted from the spirit of multilateralism.

61. A critical look at the operational activities of the United Nations system showed that the imposition of a donor-driven agenda would compromise the legitimacy of multilateralism. Programme countries could not identify with an agenda in whose shaping they had not been involved. India's voluntary contributions were proof of its commitment to participation in the activities of the funds and programmes. Its total contribution to the core resources of UNDP, UNFPA, UNICEF and WFP for 2000 amounted to US$ 6 million, more than that of any other developing country.

62. Lastly, his delegation endorsed most of the recommendations contained in the report of the Secretary-General (A/56/320). However, with regard to recommendation 6, he wondered whether the Economic and Social Council had any mandate to provide guidance to bilateral agencies, non-governmental organizations and the private sector. He was also unable to accept the paragraph in recommendation 8 which called for harmonization of the coordinating frameworks of different multilateral institutions since the frameworks established by financial institutions were often based on additional conditionalities to which his Government could not agree. Lastly, he could not support recommendation 17 if it was to have the effect of subordinating the development role of the United Nations to the requirements of conflict prevention and peace-building.

63. **Mr. Popkov** (Belarus) said that his delegation saw operational activities for development as a key instrument in resolving at the national level many current problems that hindered States' development in the economic, social, cultural and other fields and were often a consequence of the fact that not all States were able to use the potential for economic growth created by globalization and scientific and technical progress to overcome their difficulties.

64. In that regard, his delegation supported the recommendations contained in the report of the Secretary-General on the triennial comprehensive

policy review of operational activities for development (A/56/320), which were aimed at strengthening the operational role of the United Nations development system in order to help countries to better adapt to the effects of globalization and to better integrate into the global economy in order to speed up their development and reduce their poverty. Those recommendations were in the spirit of the primary provisions of the Millennium Declaration.

65. His delegation noted the importance that the report of the Secretary-General attached to establishing a platform for future United Nations activities in the field of development cooperation. In his view, the report reflected both activities associated with the ongoing reform of the system of operational activities and problems of implementation faced by the Organization. The solution to difficulties encountered at the level of implementation lay largely in the harmonization of development activities with corresponding national priorities established with the active participation of the governments of recipient countries and other national partners. In that regard, the report rightly stressed the need to establish a close link between operational activities and national development policies and programmes and to strengthen cooperation with the governments of recipient countries.

66. Generally speaking, his delegation supported the use of the common country assessment (CCA) and the United Nations Development Assistance Framework (UNDAF), which should increase the impact of operational activities at the country level. However, it shared the view of States which had mentioned the need to increase national involvement in all stages of the preparation and implementation of the provisions of those documents as a prerequisite for their wider use. Furthermore, the new planning methods at the national level had not yet been recognized by all United Nations bodies that carried out operational activities.

67. With regard to problems relating to the mobilization of resources, he said that agencies undertaking operational activities within the framework of the United Nations system should make it a priority to ensure an adequate level of funding for core resources, while maintaining their characteristic universality, neutrality and professionalism. Only a regular and adequate flow of funds for core resources could ensure genuine predictability in the financing of country programmes and the full implementation of mandates. Other sources of funding should not, however, be neglected.

68. He expressed satisfaction with the level of cooperation which had been established between UNDP, UNICEF and his Government within the framework of the programmes and projects under way in Belarus. Implementation of the cooperation programme for 2001-2004 was yielding positive results. Six new projects involving operational activities to meet various objectives, and also reflecting national priorities, had been approved. His Government was especially grateful to UNDP for the interest it had shown in the mobilization of resources to eliminate the consequences of the Chernobyl disaster. The disaster was a sustainable-development matter, and his Government was relying on uninterrupted support from not only UNDP but also other United Nations agencies in dealing with it in the future. With regard to cooperation with UNICEF, the principal activities undertaken within the framework of the general action plan adopted in 2000 by his Government and UNICEF had been successful, and his Government looked forward to further developing its cooperation with the Fund.

69. **Mr. Shimmura** (Japan) said that he wished to deal with three aspects of operational activities: the results-based approach, national ownership, and effectiveness and efficiency.

70. First, operational activities must achieve good results with respect to development; it was not enough merely to carry out activities according to plan. That was why his delegation emphasized a results-based approach and believed that a report should be prepared on the specific results of each activity and on its implementation status and should include a financial statement, against which the effectiveness of the activity could be evaluated.

71. Second, operational activities should not be imposed on recipient countries, and national ownership must be fully respected by the United Nations system and other donors. The Government had a leadership role to play in the analysis of its country's development needs and the creation of a national development framework. It could then make full use of its own development framework in the preparation of the United Nations Development Assistance Framework or the frameworks of other multilateral organizations.

72. Third, decentralization must be promoted and the role of the resident coordinator must be strengthened in order to ensure more efficient coordination at the field level. He welcomed the efforts made by the United Nations system in that regard, together with the emphasis put on collaboration with the specialized agencies and the Bretton Woods institutions. However, such aid coordination methods must serve the objective of promoting the effectiveness and efficiency of operational activities, and it was therefore important to take into account both the costs and benefits of such measures in order to avoid excessive administrative costs. It was also important to have a variety of policy tools so that each developing country could choose the best policy mix to meet its needs.

73. His Government understood the importance of operational activities conducted with the regular resources of the United Nations agencies and provided strong financial support to them every year. It was the second largest contributor to United Nations funds and programmes, the largest donor to the core resources of UNDP and the second largest donor to UNFPA, UNICEF and WFP. That said, his delegation strongly hoped that United Nations agencies would continue their efforts to attract new donors.

74. His Government actively promoted South-South cooperation as an effective means of transferring knowledge and technology. Given the diversity of culture, language and social structure in the world, technical cooperation was often more effective among people with similar cultural, linguistic and social backgrounds. Bearing that in mind, his Government had expanded its South-South cooperation programme over the years, undertaking cooperation activities in Thailand, Mexico and Brazil among other countries. It was gratifying to note also that many developing countries were likewise actively sharing their knowledge and experiences with other developing countries through South-South cooperation. Finally, he expressed his delegation's appreciation for the enormous efforts made by UNDP's Special Unit for Technical Cooperation among Developing Countries.

75. **Ms. Núñez Mordoche** (Cuba) said that her delegation associated itself with the statement made by the representative of the Islamic Republic of Iran on behalf of the Group of 77 and China. Many initiatives had been taken to improve the efficiency of the funds and programmes, including the merging of certain funds and programmes, the United Nations Development Assistance Framework, the resident coordinator system and United Nations House. However, the basic problem was the shortage of financial resources. Her delegation was concerned over the steady decline in the core resources of the funds and programmes with donors showing a preference for supplementary resources which were on the increase, with the risk that activities which were vital to the development of recipient countries would take a back seat to low-priority activities. Moreover, it should be noted that the setting of priorities was an inalienable right of recipient States and her delegation was opposed to the imposition of conditions in exchange for assistance. The multilateral nature, neutrality, universality and identity of the funds and programmes should be preserved. The declining trend in core resources should also be reversed while the financing of development activities should be on a stable, secure and predictable basis if the targets set were to be achieved.

76. The world was currently characterized by a rapid growth in trade in goods, capital, information and technologies; at the same time, poverty and marginalization were on the rise, ODA was shrinking and the external debt was becoming unbearable. Globalization had heightened disparities between developed and developing countries and cooperation among developing countries, especially technical cooperation among developing countries (TCDC), was more important than ever. Cuba, a third world country, assigned considerable importance to TCDC and believed it had a duty to demonstrate its solidarity with countries of the South. Despite the tight economic, trade and financial blockade imposed on her country for over 40 years, thousands of Cuban experts and specialists had provided technical cooperation to tens of countries in Asia, Africa, Latin America and the Caribbean in sectors such as health, agriculture, education or sports. Moreover, during the special session of the General Assembly devoted to HIV/AIDS, Cuba had made available to the poorest countries and those most affected by the disease, doctors and health personnel, professors with a view to establishing faculties of medicine, doctors, teachers and psychologists to help with AIDS prevention campaigns, as well as treatment for 30,000 patients. Cuba had also established a Latin American school of medical sciences which admitted over 5,000 students from different countries of the region, including

members of ethnic minorities of the United States of America, who could study there free of charge.

77. **Mr. Hassan** (Pakistan) said that his delegation associated itself with the statement made by the representative of the Islamic Republic of Iran on behalf of the Group of 77 and China. Operational activities played an important role in promoting development and it was through such activities that the United Nations really came into contact with the people of the whole world. Over the past few years, there had been a considerable diversification in operational activities. The goal of development was being pursued in a broader perspective which required a coherent approach. While there certainly was a need for linkages between the various dimensions of development, operational activities should nevertheless be flexible enough to respond to specific national development requirements. In other words, the process should remain country-driven and demand-driven. It was also worth recalling that the strength of operational activities stemmed from their universal, voluntary and grant nature as well as their neutrality and multilateralism. There was a widely shared view that operational activities should be increasingly focused on providing support in the coordinated follow-up to global conferences. In other words, the internationally agreed strategies and targets should be integrated into such activities. In so doing, one should not lose sight of the fact that governments were the key actors in that regard.

78. The United Nations faced a number of challenges in the area of development cooperation. The key issue, however, was inadequate resources. To ensure that operational activities better responded to the increasing needs of developing countries, sufficient resources should be provided on a secure and predictable basis. It was disturbing, however, to note that the core resources of UNDP, UNICEF and UNFPA had been declining for about a decade. On the other hand, while the total amount of resources available to the United Nations system in its regular budget for operational activities for development was constantly declining, there was a trend towards increased earmarked funding for operational activities, making such activities donor-driven rather than demand-driven.

79. Donor countries had made the increase in funding subject to a marked improvement in the efficiency of operational activities. His delegation believed that there had been a tremendous improvement in that regard over the last three years, particularly in UNDP. It was also undeniable that all sides were willing to vigorously continue efforts to further increase efficiency. However, that had not resulted in any increase in voluntary contributions. There would always be room for improvement, but that should not be used as an open-ended pretext for withholding funds.

80. The donor community also cited a difficult domestic political climate or an economic slowdown as justification for its inability to commit the requisite funds. Surprisingly, the budgetary restrictions applied only to the funds given to the core budget of the United Nations system. At the same time, the funds and programmes were reporting a sharp increase in their non-core resources. For obvious reasons, bilateral channels were given precedence over multilateral operations. Another argument being promoted was the "privatization of development cooperation", in which connection the concentration of private capital raised serious concerns. Capital sought high rates of return and was rarely invested with altruistic motives. Even if it was accepted that it could be geared towards development, its unpredictability and volatility made it highly unreliable. It was therefore imperative that the donor community should recognize its differentiated responsibilities in realizing the goal of universal development and providing the necessary resources for operational activities.

81. It had been hoped that the multi-year funding framework would ensure the provision of funds for operational activities on a more predictable, assured and continuous basis and would also encourage donors progressively to increase their pledges. Unfortunately, that had not happened. The fact was that no funding strategy could ensure adequate funding unless accompanied by the necessary political will.

82. Pakistan supported the processes aimed at enhancing coordination and cooperation among various funds and programmes, such as CCA and UNDAF, on the understanding that the fundamental principles set forth in General Assembly resolution 53/192 were given priority. Moreover, CCA and UNDAF would not be considered as binding for the operational activities of the United Nations, as they still represented a pilot project. Nonetheless, he supported the proposal to request the Secretary-General to undertake further evaluation of those two processes.

83. Concerning the activities of the United Nations Development Group, his country's position was that they should be demand-driven and country-driven towards the overall fulfilment of the Group's basic objective of poverty eradication. Moreover, those activities should not affect the performance of UNDP.

84. In principle, Pakistan supported the idea of forging greater cooperation with the Bretton Woods institutions, regional development banks, the private sector, non-governmental organizations and civil society in pursuit of development goals. However, in deciding upon specific mechanisms of coordination, it was important to ensure that the relevant mandates and principles were respected, particularly in regard to matters of universality and neutrality. The overspill of conditionalities from the Bretton Woods institutions to projects being carried out by United Nations development organizations should be strictly avoided. The latter were expected to play a role which was qualitatively distinct from other development partners, and endeavours should therefore be made to preserve that role.

85. Although TCDC was an important aspect of the operational activities of the United Nations system, it had been neglected. He therefore strongly urged the organizations of the United Nations to integrate that modality into the framework of their development cooperation.

86. **Mr. Shen** Guofang (China) endorsed the statement made by Iran on behalf of the Group of 77 and China. He pointed out that, irrespective of the worldwide changes with regard to development, United Nations operational activities must maintain their universality, neutrality, multilateralism, flexibility, and voluntary and grant nature and continue to play their unique role in national capacity-building and poverty eradication. China believed the purpose of those activities was to help developing countries to accelerate their socio-economic development. They must therefore adhere to the country-driven principle and conform to the specific needs of countries and to their development policy priorities so as to give recipient countries a stronger sense of ownership.

87. The Millennium Summit had heralded a new era for operational activities for development. It was now time for concrete action. Firstly, developing countries should rank their development priorities and draw up a timetable for poverty eradication appropriate to their respective national context. Secondly, the international community should elaborate achievable assistance plans based on a study of the specific needs of recipient countries. Thirdly, donors should fulfil their political commitments and increase ODA in order to ensure a solid financial base for the successful realization of poverty eradication goals. To date, no significant progress had been achieved with regard to any of those three aspects. The core resources of all the United Nations funds and programmes for development had declined or stagnated. Over recent years, operational activities for development had been weakened gradually rather than strengthened, a situation which was incompatible with the growing needs of recipients. China hoped that the United Nations development system would continue to do its utmost to reverse that worrying trend as quickly as possible; otherwise it would be difficult to achieve the goals set by the Millennium Summit.

88. China supported the efforts made by the United Nations development system to improve coordination and effectiveness, which had led to the formulation of CCA and UNDAF and to the establishment of common premises in some countries. However, some of the existing frameworks within the system were very similar. In order to avoid overlapping and confusion, it would be better to retain only those frameworks which had been recognized by recipient countries and had proved their effectiveness. They could be continuously improved in the light of experience.

89. China had always participated in the process of economic and technical cooperation among developing countries and intended to strengthen its participation in future. It supported the idea of integrating TCDC/ECDC into the activities of the United Nations funds and programmes for development. Assistance from the developed countries was also essential in that context.

90. **Ms. Campos** (Venezuela) endorsed the statement made by the representative of the Islamic Republic of Iran on behalf of the Group of 77 and China. She recalled that the richer and more powerful countries had a responsibility to contribute to the development of poorer countries. In 1969 donor countries had been urged to allocate at least 0.7 per cent of GNP to development assistance. Only five countries had achieved that objective and the average was still quite low (0.24 per cent) for the 22 countries belonging to the Development Assistance Committee.

91. Venezuela believed that funding of operational activities should continue to be based on core resources and that it was important to redistribute those resources in a just and equitable manner, so that each recipient country obtained assistance according to its needs, including countries, like Venezuela, which were medium-income countries.

92. The Venezuelan Government was aware of the importance of South-South cooperation, in particular technical and economic cooperation among developing countries, because it provided viable opportunities for development. The executive boards of the funds and programmes must therefore look at resources earmarked for TCDC activities and take steps to increase them. South-South cooperation was in fact a vital instrument for the promotion and strengthening of the economic independence of developing countries, and it ensured the equitable and effective participation of those countries in the world economic order. The Venezuelan Government supported the strengthening of such cooperation, in particular through its participation, for over 20 years, in a programme which brought together Caribbean States for cooperation in the areas of agricultural development, health and technical training. Furthermore, like Mexico, it was implementing the San José Agreement guaranteeing energy supply to Central American and Caribbean countries, as well as financial and technical assistance on preferential terms.

93. The Venezuelan Government supported the efforts of the United Nations system, particularly of UNDP and UNFPA. It was aware that the major responsibility lay with the vital elements within the country but acknowledged that it needed the support of the United Nations specialized agencies, which must have at their disposal sufficient resources to be able to organize and coordinate cooperation with developing countries.

The meeting rose at 1.10 p.m.

United Nations A/C.2/56/SR.15

General Assembly
Fifty-sixth session

Official Records

Distr.: General
12 November 2001

Original: English

Second Committee

Summary record of the 15th meeting
Held at Headquarters, New York, on Thursday, 25 October 2001, at 3 p.m.

Chairman: Mr. Barnwell (Vice-Chairman) ..... (Guyana)

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(a) Triennial policy review of operational activities for development of the United Nations system (*continued*)

(b) Economic and technical cooperation among developing countries (*continued*)

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01-60250 (E)

In the absence of Mr. Seixas da Costa (Portugal), Mr. Barnwell (Guyana), Vice-Chairman, took the Chair.

The meeting was called to order at 3.10 p.m.

Agenda item 99: Operational activities for development (*continued*)

(a) Triennial policy review of operational activities for development of the United Nations system (A/56/174, A/56/70-E/2001/58, A/56/70/Add.1-E/2001/58/Add.1, A/56/70/Add.2-E/2001/58/Add.2, A/56/320 and Add.1) (*continued*)

(b) Economic and technical cooperation among developing countries (A/56/39, A/56/134 and Add.1, A/56/465) (*continued*)

1. **Mr. Grutle** (Norway) said that in the past three years the United Nations had made good progress towards a more effective and unified presence at the country level. Poverty reduction, which was at the heart of international development cooperation efforts, must be based on nationally owned strategies developed through broad-based participatory processes but managed by countries themselves. External partners should gear their own efforts to national strategies, improve coordination among themselves and harmonize practices and procedures to avoid duplication of effort and excessive burdens on the administrative capacity of developing countries. Human rights must form an integral part of global and national poverty reduction and conflict prevention efforts.

2. A clearer focus on goals, results and partnerships was now emerging, and assistance should be provided in support of sound national plans adapted to national requirements. Member States must provide the resources required on a predictable and assured basis. Over-dependence on a limited number of donors should be avoided. The United Nations should be a trusted policy and technical adviser for the development and implementation of country-owned development strategies. The main focus of its efforts should be the strengthening of national institutions and improvement of governance. Its essential role at regional level was to contribute to inter-State dialogue, trade and cooperation, and to promote and increase the sharing of information and knowledge on effective development approaches. At the international level, the Organization helped to create normative frameworks in terms of principles, goals and guidelines.

3. Another key role of the United Nations was to support the development, implementation and evaluation of the poverty-focused development strategies of low-income countries. That should be the main focus of the common country assessments (CCA) and the point of departure for the United Nations Development Assistance Framework (UNDAF). The CCA/UNDAF process remained the single most important instrument for improved United Nations agency collaboration and coordination. Each agency of the United Nations system should base its country programme fully on UNDAF, which in turn must be fully geared towards national poverty reduction development strategies. Consideration should be given to merging the CCA and UNDAF into one common United Nations strategy.

4. Continued differences in the rules and procedures of the United Nations Development Group (UNDG) agencies was a major impediment to effective United Nations collaboration and placed a heavy additional burden on partner Governments. Firm action must now be taken to streamline those rules and procedures, which should be flexible enough to allow alignment with national planning procedures. The UNDG should establish a work plan for the harmonization of rules, regulations and procedures by the end of 2002. The move towards joint meetings of the United Nations governing bodies should be further pursued, and an in-depth assessment of their work carried out with a view to making their role more strategic and policy-oriented.

5. **Mr. Manalo** (Philippines) said that, although the international community was right to focus on the fight against terrorism, it must not neglect the fight against the daily terror of poverty. Indeed, the heightened sense of vulnerability everywhere following the 11 September tragedy could lead to a dangerous erosion of support for the required increase in global funding for operational activities for development; that must be avoided. At the same time, efforts should continue to make operational activities more effective. His delegation welcomed the enhanced development role of the United Nations and the expansion of the scope of its operational activities, for example, in crisis situations and in post-conflict conditions.

6. A vital component for the full participation of developing countries in the attainment of development goals was capacity-building, which should include harnessing the ability of State and non-State actors and other stakeholders to participate in the design and pursuit of national development goals and programmes. While improving the accountability of the States through good governance was crucial, improving the social accountability of the business sector and strengthening civil society were also necessary.

7. The underlying weaknesses in the economic and social infrastructure of developing countries must not be overlooked in any development efforts. In that regard, there must be a continuing focus on sectors such as agriculture, which provided a livelihood for substantial portions of the world's population.

8. Development for all meant mainstreaming gender into all development efforts and processes. His delegation supported gender budget analysis as an important tool of accountability. He reaffirmed the universal, multilateral and grant character of United Nations operational activities. Moreover, national plans and priorities constituted the only viable frame of reference for United Nations system programming and operational activities. The focus of operational activities for development should now shift from internal coordination of development assistance to integration into national efforts. Programmes and projects should be prepared with greater attention to ways in which their content would contribute to the overall national development strategy.

9. It was notable that the current triennial review coincided with preparations for the International Conference on Financing for Development. Funding for operational activities should be sufficient, stable, predictable and assured. While it was vital for the international community to reverse the declining trends in ODA, simply increasing the level of ODA would not ensure that development targets were met. A vigorous effort to ensure the efficient, effective and accountable use of ODA that was consistent with and directly contributed to national development strategies was equally important. The International Conference should provide additional stimulus for South-South cooperation. In that regard, the capacities of the United Nations Development Programme, particularly the Special Unit for Technical Cooperation among Developing Countries, should be enhanced.

10. **Mr. Djumala** (Indonesia), associating himself with the statement made by the representative of the Islamic Republic of Iran on behalf of the Group of 77 and China, said that the operational role of the United Nations development activities could help to adapt international development goals and objectives to practical United Nations work at national level and to develop specific country-defined and country-driven programmes at that level. However, financial resources were still not commensurate with the increasing needs of the developing countries. Indonesia welcomed the multi-year funding framework (MYFF) initiative, and fully concurred with recommendation 4 in the report (A/56/320) which re-emphasized the need for a substantial and sustained increase in the core or regular resources of operational activities for development. Indonesia also hoped that the International Conference on Financing for Development would go a long way towards productively addressing those issues.

11. It was particularly important to improve the capacities of developing countries to overcome the fragmented approach to national development programming and to redesign social and economic policies in a more harmonized and coherent way. Indonesia welcomed the recommendation that the United Nations system should intensify the capacity-building initiative in order to support national governments in their coordination of all forms of external assistance more effectively and efficiently. National plans and priorities were the only viable frame of reference for the United Nations system's national programming of operational activities at country level, and so it was necessary to ensure the continuing involvement and leadership of national authorities in programming and managing such activities, taking into account the constructive engagement of relevant stakeholders.

12. Indonesia agreed with recommendation 9 in the report that the United Nations system organizations should review their efforts in implementing the relevant provisions of General Assembly resolution 53/192 with respect to using capacity-building as a goal of technical assistance provided through their operational activities. South-South cooperation was increasingly seen as an effective instrument for optimizing development through the sharing of the resources and expertise of the developing countries. Indonesia therefore fully agreed with recommendation 20 in the report requesting the General Assembly to

reiterate its call for a more concerted and coordinated effort to integrate and mainstream technical cooperation among developing countries (TCDC) into the framework of United Nations development cooperation and to identify the necessary mechanisms for that purpose. That could best be done through the revision of TCDC guidelines, the establishment of TCDC focal points, the dissemination of best practice and the promotion of indigenous knowledge, experience and know-how.

13. Indonesia attached great importance to the ability of information and communication technologies (ICT) to accelerate development and empower programming countries, and therefore welcomed recommendation 2 in the report that the United Nations system be encouraged to support, through its operational activities for development, national efforts to acquire the capacities and infrastructure required to mobilize ICT at the service of development. Indonesia hoped that the General Assembly would also encourage the system to collaborate with the United Nations ICT Task Force, particularly in furnishing adequate financial assistance.

14. As a developing country striving to build democracy while facing a number of formidable challenges, Indonesia placed a very high premium on the creation of employment, and in promoting such employment tended to focus on people-centred sustainable development. Indonesia greatly appreciated the excellent technical assistance being delivered through United Nations operational activities which bolstered such strategies.

15. **Mr. Smaïli** (Algeria), associating his delegation with the statement made by the representative of the Islamic Republic of Iran on behalf of the Group of 77 and China, acknowledged the importance of United Nations operational activities for development and said that the Millennium Declaration was the basic reference point for them. The exercise had become more complex because the slowdown in world economic growth had led to a reduction in resources earmarked for financing for development and poverty reduction just at the moment when the needs of developing countries were increasing. The challenges of globalization and the urgent needs of developing countries for better integration into the new world economic order called for the strengthening of United Nations operational activities. In redefining its objectives, the United Nations system must take account of the pressing demands of developing countries, which were having to gear their development efforts to the requirements of integration in the world economy.

16. Information and communication technologies (ICT) were an excellent instrument for enhancing cooperation for development, and Algeria welcomed the establishment of the United Nations ICT Task Force. Algeria also wished to encourage any cooperation which that Task Force could develop with other institutions of the United Nations system, as well as the Bretton Woods institutions and other international institutions, to facilitate the transfer of new technologies to the developing countries so as to increase the cohesion and effectiveness of operational activities. The recent reforms and reorganizations of United Nations agencies had given rise to some concerns, specifically in terms of time and cost, as well as of the fear that the institutional instability they produced might be prejudicial to the programmes of recipient countries, especially at a time when official development assistance was declining and United Nations funds and programmes were lacking basic resources. Even if the private sector must play an increasingly active role in development, its involvement must not change the nature of operational activities. It was encouraging that some donors had undertaken to increase their contributions to development, and it was to be hoped that their example would be followed by other partners. Algeria shared the concerns regarding the mobilization of financial resources, expressed by the Secretary-General in his report. The forthcoming International Conference on Financing for Development and the World Summit on Sustainable Development would be two opportunities for the international community to consider ways of remedying the situation.

17. **Mr. Laurin** (Canada) said that the reforms of the United Nations operational activities must continue. The reforms regarding strategic frameworks must aim at much closer integration with national development policies and programmes. In order to minimize the demands placed on Governments and civil society for the development of those frameworks, the United Nations development system and other development partners, particularly the World Bank, should work towards harmonizing existing coordinating frameworks so as to avoid duplication of effort, and to improve collaboration. UNDAF should constitute the United

Nations response to nationally developed poverty reduction strategy papers (PRSPs). The CCA and UNDAF common frameworks had to translate into improved coherence and complementarity in terms of the various country programme instruments used by United Nations organizations.

18. Country ownership would necessitate not only the full participation of Governments in the development of programming instruments but also the involvement of national structures and institutions and representatives of civil society. There should also be increased dialogue and coordination with all relevant external development partners, including bilateral donors and multilateral institutions. In that regard, Canada would support an increased role for the United Nations in building the capacities of Governments to develop national development frameworks, enhance the quality of national and local participatory processes and improve their coordination of external assistance.

19. The Resident Coordinator system was a key instrument for field-level coordination, and was functioning better, but Canada was worried by the increased burden which its maintenance placed on the core resources of UNDP. Given the increased scope and complexity of development activities, with development organizations often operating in conflict and post-conflict situations, the capacity of the United Nations development system became crucial at the field level, where a different mix of skills, expertise, services and working methods were now required. Canada appreciated the efforts of United Nations funds and programmes which had undertaken major reorganizations in order to strengthen country teams and provide more strategic support from headquarters.

20. General calls for the simplification and harmonization of rules and procedures had fallen on deaf ears, and apart from efforts to harmonize the programme approval process little had been done. The General Assembly might consider setting a more precise timetable for the implementation of simplified and harmonized rules and procedures, or might request the Executive Boards of UNDP and the United Nations Population Fund (UNFPA), or the funds and programmes, to play a more active role in that regard. Joint Executive Board meetings might also consider further sharing of services at the country level.

21. The internal generation of resources within economies had by far the greatest potential to produce the resources necessary for sustained development. Regular or core funding for United Nations operational activities remained short of the critical mass necessary for effective and well-coordinated programme delivery. MYFFs might have raised expectations too high with regard to the rapidity of the recovery and the level of resumed increases, but the decline in the level of core funding had now been arrested and a large majority of donors had increased their contributions, particularly to UNDP, over the last two years. It was important to ensure strong core resources, which should be maintained and increased both as a percentage of total resources and in absolute terms. Other resources, particularly third party co-financing, continued to increase, and their contribution was also important, but it was necessary to foster better alignment and greater synergy between core and non-core funds. Canada supported the establishment of thematic trust funds aligned with the Organization's priorities as a way of ensuring that those resources did not create distortions in programming.

22. In view of the establishment of the MYFFs and pledging sessions in the respective boards of United Nations funds and programmes, the pledging conferences for operational activities should be abolished.

23. **Ms. Anzorge** (Poland) said that her delegation endorsed the statement made on behalf of the European Union. Referring to the report of the Secretary-General on the triennial comprehensive policy review of operational activities (E/2001/66), she stressed that United Nations development cooperation should increasingly be used to facilitate sharing in the opportunities and meeting the challenges of globalization. In particular, the countries of central and eastern Europe with economies in transition should continue to benefit from United Nations development assistance in selected areas. Those countries' experience should be given wider coverage.

24. Regional cooperation should serve as a two-way bridge between global and national operational activities for development. A draft UNDP regional cooperation framework (RCF) for Europe and the Commonwealth of Independent States for the period 2002-2005 was currently under discussion which highlighted three important interrelated issues of governance, namely, democratic, economic and environmental governance. That effort was a practical example of United Nations development cooperation

becoming "upstream", involving advocacy and policy dialogue under the leadership of Governments and engaging civil society and other external partners.

25. The competitiveness of United Nations operational activities for development needed to be constantly reviewed by donor and recipient Governments, United Nations agencies and other actors, with a view to ensuring maximum effectiveness and programme country ownership of development cooperation undertakings. United Nations Development Programme field offices had an important role to play in that regard, in conjunction with donor and recipient Governments and other stakeholders.

26. The need for cooperation between United Nations agencies, on the one hand, and the World Bank and International Monetary Fund (IMF), on the other, had been discussed at the second regular session of the Executive Boards of UNDP and UNFPA; similar discussions should also take place at the joint meeting of the Boards of Governors of the World Bank and IMF.

27. The United Nations multilateral system had an irreplaceable role to play in implementing the common agenda as defined in the Millennium Declaration, especially in light of the comparative and competitive advantages of the United Nations system's operational activities for development.

28. **Mr. Rasheed** (United Nations Children's Fund (UNICEF)) said that members of the United Nations Development Group (UNDG) recognized that there was scope for improving the CCA/UNDAF process, particularly in the areas of strategic focus and results orientation; indeed, they were working in that direction. The UNDG Executive Committee had identified the following major actions that needed to be taken: (1) strengthening the linkages with the Millennium Declaration and the strategic value and relevance of the UNDAF process; (2) improving process quality and strengthening partnerships and collaboration; and (3) rationalization and simplification of related tools, instruments and processes. To be more efficient, the CCA/UNDAF process needed to result in less work for Governments and the members of the county team, not more.

29. Without pre-empting policy guidance from the triennial policy review, UNICEF envisaged follow-up actions in several areas: (1) improving the guidance provided to country teams; (2) improving and re-orienting training; (3) improving the process of lessons learned and dissemination of that information; and (4) strengthening and mainstreaming management and accountability within the Resident Coordinator system and within individual agencies. UNICEF was also working to ensure a closer relationship with external instruments and processes, such as the poverty reduction strategy papers (PRSPs) and the other instruments used by the Bretton Woods institutions. Regular forums had been established where those issues were discussed, and clear ideas had been developed on how the CCA/UNDAF process could complement the work carried out by national and international partners.

30. The follow-up to the Millennium Declaration was bringing the many disparate areas of United Nations activity together as an integrated whole. With children as a cross-cutting issue in the Millennium Declaration, it was to be hoped that the upcoming special session of the General Assembly on children would be attended by the more than 75 Heads of State or Government who had announced their participation before the tragic events of 11 September had made it necessary to postpone the session. The expected renewed commitment to children and to specific actions in the new decade would support key elements of the Millennium Declaration.

31. The mobilization of resources was a shared responsibility of all Governments. At issue also was the nature of resources and the continued relevance and functioning of multilateralism in the United Nations. In the case of UNICEF, while a number of Governments had continued to provide generous support, and several had even announced overall increases, there was a continuing and alarming decline in regular core resources. Regular resources were essential to make it possible to continue implementing all areas of the triennial policy review, supporting sector-wide approaches and improving management and operational structures. While UNICEF benefited from the increasingly generous contributions of non-government donors through its National Committees, the fact that core resources were now lower than other resources was affecting both programmatic and institutional development. The amounts involved were relatively small compared to overseas development assistance budgets, and it was therefore essentially a question of political will.

32. On the issue of simplification, the four UNDG agencies had suggested that the reports of executive directors to the Economic and Social Council on the implementation of the reform programme and the provisions of the triennial comprehensive policy review, as well as other Economic and Social Council issues, such as follow-up to conferences and humanitarian and disaster relief assistance, should be discontinued, with the resulting reporting obligations being included within other existing documents. The consolidated issues paper could then become the basis for discussions at both the executive boards and the Council.

33. **Mrs. Izata** (Angola) said that operational activities for development should respond to the needs of developing countries in a flexible manner and in accordance with the development plans, policies and priorities of the recipient Governments. They should be enhanced by a substantial increase in funding, commensurate with the increasing needs of developing countries.

34. Her delegation agreed with the recommendations in the report of the Secretary-General on the triennial comprehensive policy review, particularly recommendation 17, on relief, rehabilitation, reconstruction and development (A/56/320, para. 69). After more than 30 years of continuous conflict, Angola was confronted with a critical situation as it addressed the peace process, humanitarian issues and the problems of economic and social recovery. Its first preoccupation was to strengthen and build on the peace process in order to ensure greater stability.

35. Angola's country cooperation framework for UNDP had been developed initially for the three-year period 1997-1999 and had been extended for the year 2000. The main themes of the framework were assistance in post-conflict situations, poverty eradication and governance. The implementation of the framework had started very well; however, as indicated in the country review, serious problems had been encountered during implementation. Some programmes and projects had had to be terminated, and few substantive results had been achieved. It was important now to determine why those apparently good programmes had produced meagre results, and what lessons the Government and UNDP could draw from the experience. Regardless of what decisions were made for the future, UNDP needed to continue its thorough review of operational procedures to improve quality and efficiency and be able to respond to the priorities of recipient countries.

36. **Mr. Ibrahim** (Nigeria) said that his delegation agreed with the statement made in the report of the Secretary-General to the effect that the essentials for effective development cooperation were sufficient, secure and stable financing, a dynamic institutional structure and appropriate means of design and delivery (E/2001/66, para. 32). It was particularly important that core funding should be increased. His Government was grateful to those partners who had been faithful in their commitments and contributions to core resources and hoped that more would emulate them. Similarly, it was to be hoped that the United Nations development system would continue to make sustained efforts to broaden the donor base.

37. His delegation appreciated the critical role which the United Nations Development Assistance Framework (UNDAF) initiative was playing in recipient countries, as well as the role of UNDAF and the common country assessment (CCA) in assisting developing countries in the follow-up and implementation of major United Nations conferences. He also welcomed the contribution of the UNDAF/CCA process to the development of a "system culture" as an important team-building mechanism. The new information technologies should be harnessed to enhance cooperation and synergy among the relevant programmes, funds and agencies at country levels. The agencies belonging to the United Nations Development Group (UNDG) should downplay their administrative sovereignties and promote initiatives capable of streamlining the programme approval process.

38. The multi-year funding framework was one answer to the problem of declining core resources, but it needed to be strengthened. In addition, the programming cycle needed to be harmonized, and his delegation was happy to note the positive results achieved in that area. Attention should be paid to other areas that also required harmonization.

39. His delegation was satisfied with the appreciable progress made in the area of common premises and the United Nations House initiative. The involvement of recipient countries in the provision of land for the construction of office buildings by UNDG member bodies was an effective way of establishing United Nations Houses. His delegation wondered why that

modality was considered to be of high risk and was the least preferred.

40. Information and communication technology (ICT) was a powerful tool for poverty reduction and was central to the emergence of a knowledge-based economy and information society. However, for developing countries to enjoy the benefits of ICT, there must be a rapid development of physical infrastructure and investment in human resources. His delegation looked forward to the early take-off of the United Nations ICT Task Force.

41. Gender mainstreaming should continue to receive consistent consideration in country programmes and designs, as should the use of technical cooperation among developing countries.

42. **Mr. Kittikhoun** (Lao People's Democratic Republic), speaking on behalf of the group of landlocked developing countries, said that those countries endorsed the statement made by the representative of the Islamic Republic of Iran on behalf of the Group of 77 and China.

43. The delegations he represented especially appreciated the work of the UNDP Special Unit for Technical Cooperation among Developing Countries to expand South-South cooperation, which should be viewed not as a replacement for North-South cooperation, but as a complement to it. Triangular cooperation with financial support from developed countries as well as from international and regional organizations could promote ownership of the development process by developing countries. In the context of TCDC, a broader understanding was needed of the special problems and needs of the landlocked developing countries. Those countries were pleased at the progress made in facilitating South-South policy and information exchange through the Web of Information for Development (WIDE). WIDE would provide a global platform for the international development community, and the developing countries to help the landlocked developing countries.

44. The TCDC modality also involved close cooperation between landlocked and transit developing countries and donor countries in finding a solution to the problem of transit transport systems by improving and developing infrastructure facilities and services and strengthening the institutions and human resources dealing with transit transport. The international ministerial meeting on transit transport cooperation, to be held in Kazakhstan in 2003, would address a range of issues affecting landlocked developing countries. Triangular cooperation would play a very important role in that regard.

45. **Mr. Wahba** (United Nations Development Programme) said that the review of operational activities had acquired increased significance since the adoption of General Assembly resolution 53/192. UNDP had seriously pursued greater coordination of such activities through the harmonization of cycles, programme approval processes, common premises and services and the Resident Coordinator system. In particular, much progress had been made in defining the roles of the Bretton Woods institutions and the United Nations Development Group (UNDG) and the modalities for cooperation, through follow-up to the Millennium Declaration and improvements to CCA/UNDAF.

46. Recent evaluation of CCA/UNDAF had shown the need for those mechanisms to be country-driven and country-owned and for programming procedures to be streamlined. Ninety-seven countries had so far completed assessments of their national needs and priorities. By the same token, UNDAF was emerging as an important country-led instrument for the coordination of operational activities, as it was regarded as the best plan for the use of United Nations resources to further national development goals.

47. UNDP had tried its utmost to ensure a true reflection of the diversity and substantive strengths of the Resident Coordinator system, and looked forward to further increasing the number of participating women.

48. The Millennium Declaration provided a framework for action with precise time-bound targets. Coordination between the Department of Economic and Social Affairs (DESA) at the global level, and UNDP, through UNDG, had facilitated the alignment of activities at the country level with development goals cited in the Declaration.

49. In describing the changes made since the adoption of General Assembly resolution 53/192, he stressed the need to simplify procedures and harmonize programme cycles, drawing special attention to the acceptance of the common approval process for country programmes, accountability and ongoing work on a common outline for programme documents. The capacity to demonstrate firm achievement was crucial

to the reform of UNDP into a modern, agile and responsive institution.

50. Response to the Programme's results-based management approach had been positive. The downward trend in regular resources had stabilized and there had even been indications of a slight upward movement.

51. Equally important were the increased contribution to the core from up to 14 Organisation for Economic Cooperation and Development/Development Assistance Committee (OECD/DAC) donors. Programme country contributions indicated the importance of the continued viability and multilateral character of UNDP. In order to achieve the results expected within its mandate, UNDP needed to bolster its country presence and policy support role. A strengthened UNDP would be well poised to realize the goals of the Millennium Declaration, an essential element in global development cooperation, and would provide sustainability to the search for peace and security and depth to humanitarian relief.

52. **Mr. Kogda** (Burkina Faso) said that the United Nations system had a definite comparative advantage in all activities aimed at promoting access to basic social services and satisfaction of basic needs. In the case of Burkina Faso, the implementation of CCA/UNDAF had been a participatory and dynamic process. Country assessment had led to a common understanding of issues and had created a context in which the goals and strategies of the United Nations system in the area of development assistance could be achieved. UNDAF, on the other hand, had provided useful lessons in cooperation.

53. In general UNDAF activity had centred on the need to consolidate a sustainable human development approach and to promote initiatives in the fight against poverty, on conditionality, good governance and mainstreaming of a gender perspective in cooperation programmes. It was clear that sectoral programmes occupied a privileged place in the distribution of donor funding. In aspects which were specific to the United Nations, the evaluation of cooperation programmes acknowledged the relevance of areas of concentration to countries' development priorities, although there had been some shortcomings at the implementation stage. Effective implementation of the UNDAF process implied strenuous action to combat poverty, to promote good governance and to establish an effective strategy for complementarity and synergy between activities financed by United Nations agencies.

54. In terms of national execution, Burkina Faso favoured the creation of monitoring and evaluation mechanisms which would serve as social, economic and geographic databases and provide information on the labour market.

55. Given the success of the CCA/UNDAF process, the new cooperation strategy should not only be based on governmental strategies but should pursue the internalization of recommendations made by international conferences and capacity-building for emergency response. Burkina Faso supported the analysis of the global performance of the United Nations system and welcomed the recommendations of the Secretary-General aimed at providing new guidelines for operational activities within the global economic context.

56. **Mr. Yampolsky** (Ukraine) highlighted the strengthening of the Resident Coordinator system and inter-agency coordination to match United Nations operational activities with the priorities of recipient countries. Moreover, the role of United Nations funds and programmes in boosting national capacity-building and assistance to developing countries and countries in transition as they adapted to globalization had been vastly improved. He believed that UNDP should continue to play a central role in coordinating the activities of United Nations agencies in Ukraine, particularly with regard to the implementation of multifaceted, long-term projects.

57. Ukraine supported all efforts aimed at ensuring the efficiency and effectiveness of the United Nations system of operational activities, maintaining its dynamic international structure and improving partnerships with all players in the development process at the national level. Referring to the experience in Ukraine, he said operational activities should focus on promoting market reform, including development of entrepreneurship, technical assistance and advice in the building of institutional infrastructure and trade-related capacity, and on ensuring sustainability of microeconomic reforms to accelerate the integration of economies in transition into the world economy.

58. Meaningful information had been provided in document A/56/70-E/2001/58 on progress in the implementation of MYFF, and Ukraine encouraged

United Nations operational funds to continue their work, taking into account the comparative advantages of each agency. He also wished to stress the importance of full implementation of programming, national capacity-building and UNDAF. Ukraine urged further steps to ensure the availability of resources for development and looked forward hopefully to the International Conference on Financing for Development.

59. The consequences of the Chernobyl disaster deserved special attention by United Nations operational activities agencies. The Government of Ukraine welcomed the increasing involvement of the United Nations funds, programmes and specialized agencies in activities aimed at eliminating the long-term consequences of the catastrophe. The report issued by a multidisciplinary inter-agency mission clearly indicated the growing need for transition from emergency response to implementation of the long- and mid-term programmes aimed at social and economic rehabilitation and development of the affected region. The recent appointment of an assistant administrator of UNDP as coordinator would help to address the future developmental emphasis of United Nations Chernobyl activities and support through appropriately coordinated efforts.

60. **Mr. Enkhsaikhan** (Mongolia) stressed the value of South-South cooperation, which should enhance the capacity of developing countries to generate technical and scientific innovations and adapt technology to serve their basic needs. Such efforts should focus on capacity-building in scientific education. Furthermore, regional and subregional cooperative mechanisms involving Governments, business and research circles should be further encouraged.

61. The Web of Information for Development had great potential, and the next logical step would be an increased and more structured issue-driven emphasis on problem areas. The Web could serve as a hub for collecting and disseminating comprehensive information on the problems of the least developed, landlocked and small island developing countries. Opportunities should be explored to develop collaborative programmes in the Web on capacity-building, in order to create discussion at the regional and subregional levels involving Governments, business and academic circles.

62. His Government appreciated the challenging task before the Special Unit for Technical Cooperation among Developing Countries and commended its efforts to mobilize and direct resources to address the critical problems of South-South cooperation, particularly the problems faced by landlocked developing countries. Cooperation between the landlocked and transit developing countries had been steadily improving. It was important for the Special Unit to continue to provide technical and financial assistance to efforts making a practical contribution to South-South cooperation and addressing developmental concerns. An agreement on transit traffic facilitation between Mongolia, China and the Russian Federation would make Mongolia one of the important transit routes from North-East Asia to Europe and Central Asia and serve as an important additional transit route for huge emerging markets in Russia and China.

63. **Mr. Valera** (Mexico) said that the Millennium Declaration and recent international conferences provided a frame of reference for operational activities of the United Nations system for development, and reiterated the need to preserve universality, neutrality and multilateralism in operational activities, based on the principles of non-conditionality and full respect for national priorities.

64. Effective cooperation for development required sufficient, secure and stable financing, a dynamic institutional structure and appropriate methods of planning and execution. There was an urgent need to reverse the downward trend in the level of core resources. In that regard, Mexico welcomed the decision of the European Union to allocate 0.7 per cent of gross domestic product to official development assistance, and wished to express its gratitude to the members of the European Union and the other industrialized countries which had already achieved that goal and had set even more ambitious and generous targets.

65. It was important to continue creating new and innovative forms of collaboration, both financial and managerial, between the United Nations, international financial institutions, regional development banks, federal and local authorities, non-governmental organizations and the population at large. Mexico was aware that financing of operational activities were still far from achieving the critical mass necessary for efficient programme delivery and hoped that the changes in framework targets would help to reverse the

decline in core resources and the tendency to support short-term emergency activities to the detriment of long-term development.

66. His Government renewed its commitment to United Nations operational activities. International technical and economic cooperation was an effective means of supporting government efforts. Mexico recognized the synergy of three-way cooperation and had participated in joint action for the benefit of third countries throughout Latin America. The experience of Latin America and the Caribbean demonstrated that developing countries could stimulate renewed momentum in technical cooperation through horizontal cooperation programmes. The challenge was to promote interaction through the identification of innovative schemes to encourage technical and economic cooperation between developing countries.

67. Mexico was convinced of the importance of strengthening the United Nations as the best form for the promotion of international cooperation in all the topics on the vast international agenda. Mexico wished to express its appreciation for the contribution of UNDP in actively promoting national technical cooperation efforts.

68. **Mr. de Moura** (Brazil) said that his delegation welcomed the progress achieved by the United Nations system in the area of coordination. In that regard, the growing interrelationship of mandates and areas of action among the organizations of the system called for a more active role by the Economic and Social Council in terms of supervision and guidance. Referring to UNDAF and its potential for increasing coordination, he said that a common monitoring and evaluation mechanism could serve as the foundation for continuous coordination among programmes, funds and specialized agencies at the field level. However, it was of the utmost importance to invest in mechanisms that would permit the assessment of progress and achievements as well as the impact of operational activities.

69. The United Nations system should focus on the mainstreaming of poverty eradication, capacity-building and gender equality into its activities in the developing world. Organizations with the size, neutrality, institutional framework and multilateral scope of UNDG had an important role to play in the development process. The United Nations agencies, programmes and funds must have the ability, resources and flexibility to provide a rapid response to emergency situations resulting either from natural disaster or conflict. Further attention should also be paid to action that could have a long-term structural impact on development. In that regard, he stressed the importance of technical assistance in building up capacities and knowledge and strengthening local institutions and organizations. South-South cooperation, especially TCDC, played a very important role. He therefore called for further support from the international community and donor countries for such cooperation, which was a valuable complement to North-South cooperation.

70. His delegation welcomed the new focus placed by the United Nations programmes and funds on a culture of performance and accountability. That new focus was being built through results-oriented management and the results-oriented approach of the multi-year funding frameworks and other mechanisms. However, despite the progress achieved, there had been no significant reversal in the declining trend of core resources.

71. Sufficient, predictable and stable financial resources were needed if development cooperation was to be effective. He therefore urged donor countries to increase their voluntary contributions to the United Nations programmes and funds. His delegation welcomed the attraction of new sources of financing, as long as they did not subject technical cooperation to the principles and processes used by the financial sector. Nor should those new sources impair the neutral and universal scope of United Nations operational activities for development.

72. **Ms. Whittemore** (United States of America) said that the United Nations system was an indispensable partner to developing countries that valued its neutrality, universality, expert advice and assistance. The reforms that the operational agencies had been carrying out over the last few years, especially those targeted at enhancing coordination and programme coherence, promised to keep the United Nations development system a relevant and effective partner to programme countries in the increasingly complex current environment. Mobilizing the financial resources required for programme countries to achieve the international development goals and to fund their overall development plans remained an issue of great concern. In that regard, the Secretary-General's report, in addition to emphasizing the value of healthy core regular budgets, had clearly recognized the value to

programme countries when domestic resources were mobilized to help alleviate poverty and stimulate economic growth. Benefits from the effort to increase domestic contributions would be considerable in terms of capacity-building, since such efforts would provide enhanced institutional and human capacity as well as transparency in internal financial management — two major conditions for attracting foreign direct investment.

73. The reforms undertaken by the organizations of the United Nations system were needed and had been impressive. Internal coordination had improved and the vision of what the United Nations operational agencies could contribute to the development of programme countries had become better defined. In the process, the United Nations system was developing impressive in-house expertise to achieve the Organization's ambitious international development goals. That expertise not only provided the foundation for effective development assistance, but more important, it was universal and neutral. That was a most valuable asset to programme countries. Although her delegation concurred with the principle of country ownership of its own development process, it urged programme countries to take full advantage of that asset and exploit it to the fullest extent when formulating their development strategies. An analytically sound CCA and UNDAF were necessary if any development process was to succeed. While much valuable work had been done in that regard, her delegation believed that the proliferation of frameworks posed a problem for programme countries and their development partners in terms of efficiency and cost. The problem would be overcome if the international community adhered to the statement in paragraph 2 of the Secretary-General's report, that United Nations development cooperation operated on the basis of the principles of universality, neutrality and country specificity, and that its objective was to provide a coherent and integrated response to national development efforts in full respect of national priorities.

74. Her delegation endorsed the concept of TCDC as a major component of development and the full participation of the United Nations system of organizations in that endeavour. However, the organizations should respect their universality and neutrality and, therefore, be vigilant and not participate directly or indirectly in activities that led to the formation of regional positions on issues such as trade. While regional cooperation was an important component of full development, the primary effort had to be country-specific and country-based.

75. **Mr. Beti** (Observer for Switzerland) said that, since it was undeniable that harmonized and simplified United Nations development cooperation procedures would make a real and practical difference, especially for partner Governments, his delegation could not understand why progress in that matter had been so slow and why that process had not yet been completed. Turning to the core funding of United Nations activities for development, he regretted that the introduction of multi-year funding frameworks had not contributed to reversing the negative trends in that area, especially the steady decline in ODA. Since an effective and durable solution to that problem would be very difficult to find under current circumstances, the future funding of United Nations operational activities must remain a major topic on the agenda for the coming years. In that regard, it would be even more crucial to make the best possible use of available resources. That meant, in particular, that every possible effort must be made to further improve the efficiency and effectiveness of all United Nations development activities. For example, better use must be made of joint cooperation frameworks like UNDAF and the poverty reduction strategy papers (PRSPs), while joint programming could be applied on a much broader basis.

76. He would strongly recommend that a clear preference should be given to multi-donor trust funds over individual project trust funds. He would further recommend that the United Nations should conduct pilot tests of the "common-pool approach" to ODA. While reducing management complexity, helping to resolve coordination difficulties among donors, minimizing transaction costs, and thus maximizing the impact of development support, such an approach could allow programme countries to really control the process, which would ultimately make ownership a true reality.

77. His delegation also hoped that the International Conference on Financing for Development would permit progress inter alia on issues related to trade, debt management, international private funding and public-private partnership.

The meeting rose at 5.50 p.m.

United Nations A/C.2/56/SR.16

General Assembly
Fifty-sixth session

Official Records

Distr.: General
11 December 2001
English
Original: French

Second Committee

Summary record of the 16th meeting
Held at Headquarters, New York, on Friday, 26 October 2001, at noon

Chairman: Mr. Barnwell (Vice-Chairman) ..... (Guyana)

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01-60436 (E)

The meeting was called to order at noon.

Agenda item 99: Operational activities for development (*continued*)

(a) Triennial policy review of operational activities for development of the United Nations system (*continued*) (A/56/174, A/56/70-E/2001/58, A/56/70/Add.1-E/2001/58/Add.1, A/56/70/Add.2-E/2001/58/Add.2, A/56/320 and Add.1)

(b) Economic and technical cooperation among developing countries (*continued*) (A/56/39, A/56/134 and Add.1, A/56/465)

1. **Mr. Rao** (Director, Strategic Planning and Coordination Division, United Nations Population Fund (UNFPA)) said that, while helping to build national capacity, UNFPA remained committed to the programme countries' leadership and coordination role. All partners of the United Nations Development Group continued to strengthen coordination. In the implementation of the triennial policy review, it was necessary to ensure that greater coordination led to better results and more effective programmes, with simpler and more harmonized processes that reduced transaction costs to all; such coordination should reduce workloads relating to programming, for programme countries as well as for United Nations country teams, and deliver greater benefits.

2. While much progress had been made in respect of harmonization of programming cycles, especially in the United Nations Development Group, there was still a need for more streamlining and simplification of many coordination and programming processes. UNFPA unequivocally supported the common country assessment and the United Nations Development Assistance Framework as the analytical and planning instruments of the United Nations system at the country level and it was committed to rooting that framework in the objectives of national strategies and policy planning, including poverty reduction policies and strategies.

3. A United Nations Development Group working group had been set up under UNFPA leadership, to develop a common programme approval process, on the understanding that any programme development process would be country-led and country-driven. Subsequent to the adoption of decision 2001/1 by the UNDP/UNFPA Executive Board, a small inter-agency working group comprising UNDP, UNFPA, UNICEF and the World Food Programme (WFP) was working on a common format for the country programme outline. UNFPA and other United Nations Development Group partners were also working to harmonize financial and administrative rules and procedures.

4. UNFPA was also strongly committed to the implementation of the Millennium Declaration goals and to their follow-up at the country level, fully mindful that implementation of the Programme of Action of the International Conference on Population and Development would contribute significantly thereto.

5. Due to the increased harmonization and simplification of procedures, the reports of UNDP, UNFPA, UNICEF and WFP to their respective Executive Boards had a common format and were very similar in content; the four agencies were therefore suggesting that reporting on the implementation of the triennial policy review and on United Nations reforms to the legislative bodies should be streamlined; they looked forward to the Committee's advice on that.

6. Those issues could not be discussed without a clear recognition of the need for an adequate level of resources. Mobilization of resources was a shared responsibility and although donors had in many cases increased their contributions, many factors had led to a zero growth or even a decrease. While members of the United Nations Development Group were pursuing results-based approaches and multi-year funding frameworks and were improving the management of their respective organizations, the issue of resources remained unresolved; it deserved priority consideration. The United Nations system looked forward in that regard to the outcome of the financing for development process.

7. **Mr. Al-Haddad** (Yemen) stressed that the triennial policy review of operational activities for development was an opportunity for tackling the important issue of the future of development cooperation in the light of the goals set forth in the Millennium Declaration.

8. His delegation supported the recommendations contained in the report of the Secretary-General on the item (A/56/320) and hoped that their implementation would lead to enhanced effectiveness and results for

the developing countries. Strengthening the operational role of the Untied Nations development system should help the developing countries deal with the economic and social repercussions of globalization and help them integrate themselves into the world economy so as to accelerate growth and reduce poverty. Recommendation 2 concerning information and communication technology was particularly important; the United Nations system must support countries in their efforts to build the capacities and infrastructure necessary to master those technologies and put them to the service of their own development. To that end, it would be necessary to reassess the resources of United Nations agencies and provide them with the technical skills and resources to respond to requests for assistance from recipient countries which were in urgent need of technology, including communication technology.

9. As for economic cooperation among developing countries, his delegation had taken note of the report of the Secretary-General on the state of South-South cooperation (A/56/465) in the areas of trade, investment and monetary and financial arrangements. It was clear from the report that cooperation among these countries had increased in recent years; that might help foster a climate conducive to their integration into the global economy.

10. When considering the issue of technical cooperation among developing countries, the Committee should not overlook the importance of the outcome of the South-Summit, which had been held in Havana, and of its Programme of Action and the Caracas Programme; these were considered the bases for such cooperation. The Tehran consensus, which called for increased support from the operational activities of the international community for South-South cooperation, also was a useful contribution to the intensification of cooperation in all its forms and deserved the support of the United Nations system and of the international financial institutions. It was also necessary to implement the principles set forth in the Millennium Declaration; the international community, including the United Nations system, must re-examine its policies and practices in respect of development cooperation. It was also essential to mobilize the necessary resources to meet the economic cooperation needs of the developing countries and to strengthen their capacity so as to enable them to become genuine international partners in the economic and technical area.

11. **Mr. Abreha** (Ethiopia) said that the assistance provided to his country by the United Nations system of operational activities contributed to the fight against poverty and to the achievement of sustainable development. United Nations development cooperation should continue to operate on the basis of the principles of universality, neutrality and country specificity. The development goals set in the 1990s and in the Millennium Declaration constituted the frame of reference for the triennial review of operational activities. His delegation strongly believed that the main focus of those activities should be on poverty eradication. While implementation of the various development goals was the primary responsibility of Member States there was a need to forge partnerships to tackle the pressing global problems. While taking note with satisfaction of the positive impact that the reforms had had on United Nations operational activities, he agreed with the Secretary-General that availability of adequate resources for operational activities was an essential condition for sustaining the momentum of the reforms and continuing the operational activities. The decline or stagnation in core resources of the United Nations funds and programmes was a matter of great concern. While the adoption of the multi-year funding framework had, at least, slowed the decline in UNDP resources, concerted action was needed in order to attain the goals set by the UNDP/UNFPA Executive Board.

12. The strategic frameworks of the common country assessments and United Nations Development Assistance Framework must be carefully designed so as not to jeopardize ownership by programme countries of their development priorities. Indeed they should be based on the priorities of those countries. The uneven involvement of Governments in the framework, which the Secretary-General had noted in his report (A/56/320), was therefore a matter of concern; at the same time, the framework was a new process and would have to be refined in the light of the lessons drawn from the pilot projects.

13. One issue demanded particular attention, namely the simplification of the rules, procedures and modalities pertaining to operational activities of the United Nations system specific to each organization in order to enhance the effectiveness of the UNDAF process. Some countries, including his own, had

developed an elaborate national execution modality; any recommendation designed to simplify the rules and procedures governing operational activities would have to take that into account.

14. **Ms. Oh** (Republic of Korea) said that the United Nations system, as it was rightly pointed out in the relevant report of the Secretary-General (A/56/320), had an important role to play in helping to ensure a more equitable distribution of the benefits of globalization and new technologies, for instance by reducing income and digital disparities. In that regard, she welcomed the significant achievements within the United Nations development system during the past three years, including the resident coordinator system, the common country assessment and United Nations Development Assistance Framework, as well as the recent close collaboration between United Nations development agencies and the Bretton Woods institutions.

15. However, further efforts were required in some areas, including the simplification and harmonization of programme procedures. The most tangible achievements could be realized in United Nations reform by reducing transaction costs and thus enhancing the efficiency of development activities. She noted with satisfaction the programme cycle harmonization undertaken by UNDP and UNFPA and hoped the measure would be extended to other agencies.

16. She drew attention to the downward trend of core funding for United Nations development activities. While it was true that non-core funding played an important role, in order to maintain the multilateral nature of United Nations development activities, core funding should be the main source for those activities.

17. Technical cooperation among developing countries (TCDC) and South-South cooperation had been attracting increasing attention as a new strategy for development. The Special Unit for TCDC was a major focal point for all TCDC programmes and should expand its activities to further areas.

18. **Ms. Loemban Tobing-Klein** (Suriname) expressed concern about the decline in core resources allocated to development activities while non-core resources were rising and said that, as a result, the United Nations system was unable to plan development assistance in a consistent manner.

19. Her delegation was especially concerned by the evaluation of the programme management tools applied by the United Nations system in the past three years, namely CCA and UNDAF. Nevertheless, she welcomed the improved coherence and synergy of the United Nations system, for the sparse funds for development must not be spent on coordination of United Nations activities. As other delegations had said, only national priorities should be taken into account in the UNDAF formulation process.

20. Given the decrease in official development assistance and reduced opportunities in trade for developing countries as a result of globalization, developing countries needed to focus more on cooperation with each other, particularly at the regional level. With that in mind, her country had strengthened its ties with the countries of the Caribbean Community. She expressed appreciation for the efforts of the Special Unit for TCDC to improve South-South cooperation and called for an expansion of its activities. She welcomed the commitment shown by Japan to promote South-South cooperation and encouraged other countries to follow its example.

21. **Mr. Dogani** (United Republic of Tanzania), emphasizing the importance of operational activities for development, said that, with adequate, predictable and regular funding, the funds and programmes of the United Nations could go a long way in supporting developing countries in the management of their own development process. However, the funds and programmes were not generating adequate core resources to meet the established targets and the new requirements arising from the decisions of the major United Nations conferences and summits. On the other hand, non-core resources were increasing, and additional resources were being channelled to developing countries through non-governmental organizations. While recognizing the important role of such resources to the development of developing countries, he expressed concern at the prominence they had begun to acquire over multilateral operations. With that in mind, there should be a substantial increase in the core resources of operational activities for development, which should be available on a predictable and continuous basis. It was regrettable that MYFF had failed to mobilize the necessary resources.

22. The report of the Secretary-General contained many useful proposals designed to strengthen the operational activities of the United Nations system, but

it was important to ensure that the fundamental characteristics of those activities, namely their universal, voluntary and grant-based nature, as well as their ability to respond to the needs of developing countries in a flexible and timely manner, were maintained. Furthermore, operational activities must be carried out for the benefit of developing countries, upon their request and in accordance with their own national policies and priorities.

23. National plans and priorities constituted the only viable frame of reference for the national programming of operational activities for development. Recipient Governments had the primary responsibility for coordinating all types of external assistance and integrating them effectively into their development process.

24. While he recognized the important role played by CCA and UNDAF in enhancing coherence in operational activities, those mechanisms should also be used to intensify capacity-building initiatives so as to enable developing countries to coordinate their external assistance effectively and at less cost. They were also likely to enhance national ownership and therefore contribute enormously to poverty reduction.

25. As donor assistance was declining, technical and economic cooperation among developing countries could help those countries to meet the challenges they faced. However, it should not be regarded as a substitute for traditional development cooperation. In that regard, the support of the developed countries through triangular cooperation was critical, as was the assistance of the United Nations. The Special Unit for TCDC played an important role in that area, despite its limited capacity, and it needed to be provided with adequate resources to discharge its mandate fully.

26. **The Chairman** said that the Committee had completed consideration of agenda item 99.

The meeting rose at 1.05 p.m.